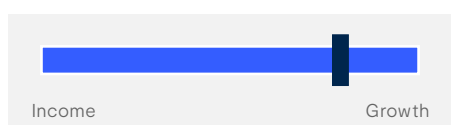


# ECP Growth Companies Fund

Fund report | March 2021

# ECP

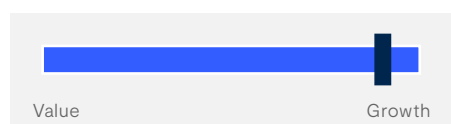
## Capital growth vs income .....



## Market cap bias .....



## Investment style .....



## Key facts .....

### Investment strategy

A high conviction, Australian equities portfolio designed to deliver alpha above benchmark

### Investment objective

Outperform index by over 2-4% p.a. over 5 years

### Benchmark index

S&P/ASX 300 Accumulation Index

### Fund Manager

ECP Asset Management

### Inception date

Jan 2020 (strategy commenced 2012)

### Management fee

0.90% p.a.<sup>1</sup>

### Performance fee

15.375% of benchmark outperformance<sup>1</sup>

### Number of stocks

Typically 25-30

### Ratings

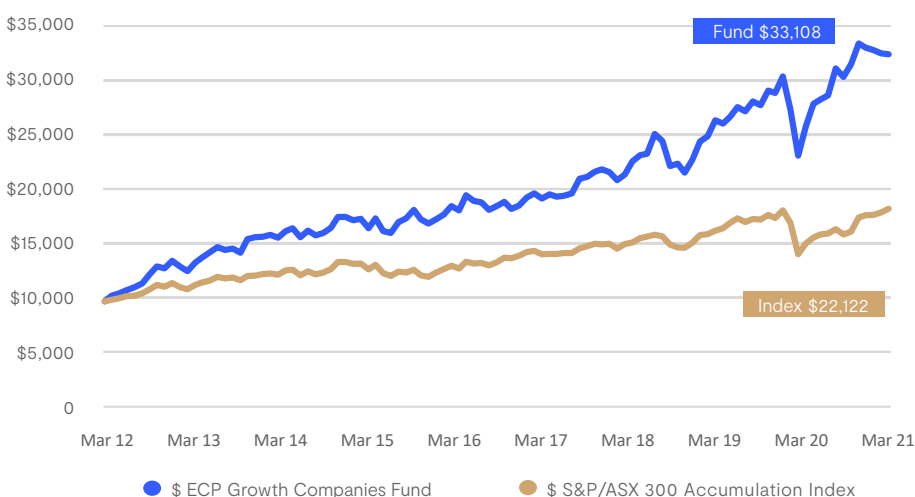
Lonsec Recommended  
Zenith Recommended

## Performance\* .....

At month end	1 mth	3 mth	6mth	1 yr	3 yr	5yr	Incep.*
ECP Growth Companies Fund	-0.2%	-1.8%	6.8%	39.9%	15.6%	13.3%	14.7%
S&P/ASX 300 Accumulation Index	2.3%	4.2%	18.5%	38.3%	9.7%	10.3%	10.1%
Outperformance	-2.5%	-5.9%	-11.7%	1.5%	5.9%	3.0%	4.6%

\*(% returns greater than one year are per annum) | \*Inception of the ECP Growth Companies Fund for performance calculation purposes is 31 July 2012 (based on the underlying strategy ECPAM All Cap strategy returns).

## Performance comparison of \$10,000 since inception .....



## Monthly commentary .....

Macquarie Group (MQG) extended its strong performance in March following its profit upgrade in late February where it stated it now expects its FY21 result to be up ~5-10% on FY20. The main driver of this upgrade was a better than expected result from its Commodities and Global Markets business due to an extreme winter in North America that boosted client demand for its physical gas and power supply business. While this is positive in the short term and offsets weakness in other areas affected by COVID, we do not forecast these conditions to continue through our 5 year time horizon.

IDP Education (IEL) was the largest detractor in March as its 40% shareholder Education Australia announced that it would be exiting its holding. The company will in specie out 25% of its holding to its 38 university shareholders and sell down the remaining 15% by no later than December 2021. Education Australia is doing this to provide much needed capital to its university shareholders. In the short term this has created an overhang on IEL, but has no bearing on our long term thesis for IEL and its market position as a leading student placement platform and high stakes English testing provider.

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## Sector allocation.....

GICS sector	ECP %	Index %	+/- %
Communication Services	4.05	5.09	-1.03
Consumer Discretionary	15.92	8.51	7.41
Consumer Staples	5.56	5.21	0.35
Energy	0.00	4.11	-4.11
Financials	30.18	26.88	3.30
Health Care	13.85	9.51	4.34
Industrials	0.00	6.98	-6.98
Information Technology	12.59	5.06	7.53
Materials	9.73	20.34	-10.61
Real estate	0.00	7.00	-7.00
Utilities	0.00	1.31	-1.31
Cash	8.12	-	-
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-</b>

## Top 10 holdings .....

Company	Weight %
HUB24	6.84
MACQUARIE GROUP	6.77
MAGELLAN FINANCIAL	5.52
COMMONWEALTH BANK	5.20
CSL	5.15
RIO TINTO	4.94
JAMES HARDIE	4.79
RESMED	4.79
CORPORATE TRAVEL MGMT	4.70
COCHLEAR	3.92

## Key contributors .....

Company	Weight %
MACQUARIE GROUP	6.77
JAMES HARDIE	4.79
COMMONWEALTH BANK	5.20

## Key detractors.....

Company	Weight %
IDP EDUCATION	3.49
RIO TINTO	4.94
AFTERPAY	2.10

## Portfolio metrics (5yr).....

Portfolio IRR	8.51
Beta	0.97
Downside capture	0.91

## Why ECP?

-  A highly rated Australian equity investment capability available to Australian investors through Copia
-  Fund investment strategy is one of Australia's top performers in its category over the past decade<sup>2</sup>
-  Fund aims to boost portfolio performance by capturing the alpha of selected Australian companies as they grow
-  High conviction, all cap approach may blend well with other highly diversified investment strategies such as passive funds or ETFs

## Contact Copia

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<sup>1</sup> inclusive of GST, net of RITC   <sup>2</sup> Based on industry performance surveys for the ten years ending January 2020. For further information on fund performance or industry surveys used as reference in this document, please contact Copia.

Disclaimer: The total return performance figures quoted are historical, calculated using hard close, end-of-month mid-prices and do not allow for the effects of income tax or inflation. Total returns assume the reinvestment of all distributions. The performance is quoted net of all fees and expenses. The index does not incur these costs. This information is provided for general comparative purposes. Past performance is not a reliable indicator of future performance. Positive returns, which the ECP Growth Companies Fund (the Fund) is designed to provide, are different regarding risk and investment profile to index returns. This document is for general information purposes only and does not take into account the specific investment objectives, financial situation or particular needs of any specific individual. As such, before acting on any information contained in this document, individuals should consider whether the information is suitable for their needs. This may involve seeking advice from a qualified financial adviser. Copia Investment Partners Ltd (AFSL 229316, ABN 22 092 872 056) (Copia) is the issuer of the ECP Growth Companies Fund. A current PDS is available from Copia located at Level 25, 360 Collins Street, Melbourne Vic 3000, by visiting [ecpam.com](http://ecpam.com) or by calling 1800 442 129 (free call). A person should consider the PDS before deciding whether to acquire or continue to hold an interest in the Fund. Any opinions or recommendations contained in this document are subject to change without notice and Copia is under no obligation to update or keep any information contained in this document current. The rating issued August 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. The Zenith Investment Partners ("Zenith") Australian Financial Services License No. 226872 rating (assigned June 2020) referred to in this document is limited to "General Advice" (as defined by the 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. 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. Zenith usually charges the product issuer, fund manager or a related party to conduct Product Assessments. Full details regarding Zenith's methodology, ratings definitions and regulatory compliance are available on our Product Assessment's and at <http://www.zenithpartners.com.au/RegulatoryGuidelines>.