

Total returns[†]

At 30 Nov 2024	1 Mth %	3 Mths %	1 Yr %	3 Yrs % p.a.	5 Yrs % p.a.	10 Yrs % p.a.	Incep % p.a. (Dec 2000)
OC Dynamic Equity Fund	3.7	6.9	23.6	8.0	10.0	11.4	12.1
S&P/ASX Small Ordinaries Accumulation	1.3	7.3	19.9	(0.1)	4.6	7.7	5.9
Outperformance	2.4	(0.4)	3.8	8.0	5.4	3.8	6.2
S&P/ASX Small Industrials Accumulation	3.9	7.2	25.5	0.5	3.7	7.3	6.2
Outperformance	(0.2)	(0.3)	(1.9)	7.4	6.4	4.2	5.9

Performance review

The decisive victory by Donald Trump and the Republican Party in US elections was the catalyst for strong returns in both the US and Australian equity markets in November. The OC Dynamic Equity Fund finished the month up +3.7% which was well ahead of the S&P/ASX Small Ordinaries Accumulation Index which rose +1.3%, but in slightly behind the S&P/ASX Small Industrials Accumulation Index which was also up +3.9% for the month.

Alternative asset manager **HMC Capital (HMC, +21.2%)** surged higher after announcing the fully underwritten IPO of an ASX listed digital infrastructure REIT comprising data centre assets in Australia and the US, which will have an enterprise value of \$4.3b. HMC also announced that its FY25 Operating EPS (pre-tax) is currently tracking at 70 cents per share, some 52% higher than the trading update it released in late October. The Fund added to its holding in **Pinnacle Investment Management Group (PNI, +16.4%)** which raised capital for strategically sensible acquisitions in the UK and US markets. Fund manager **GQG Partners Inc (GQG, -14.4%)** was sold off heavily following securities fraud charges being brought against high profile businessman Gautam Adani and certain other Adani Group executives in the US. At the time, Adani Group companies made up around 6.1% of GQG's total funds under management of US\$160b. While the negative impact on the performance of GQG's funds has been modest to date, investors are clearly concerned that the GQG business may suffer ongoing fund outflows as a result of contagion from the Adani indictment.

Outlook

It is anticipated that the 'Trump 2.0' administration will implement pro-business policies favouring deregulation and tax reductions, which are expected to benefit a raft of US exposed small-cap companies in the portfolio including ZIP Co, Life 360, Light & Wonder, Kelsian Group and Telix Pharmaceuticals.

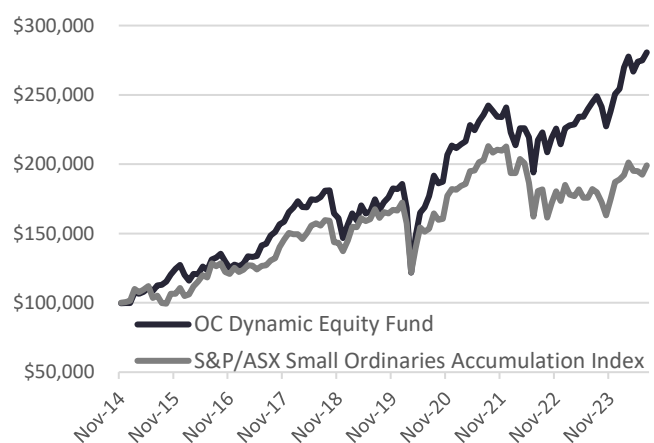
The potential appointment of Scott Bessent, a hedge fund manager, for the role of US Treasury Secretary was also well received by equity markets during the month. Bessent has strong economic credentials and is regarded as a fiscal hawk who ought to help to temper some of President-elect Trump's more inflationary impulses. US 10-year Treasury Yields moderated from their highs following Mr Bessent's nomination and equity markets look well positioned to continue to rally

into Christmas, with US inflation continuing to moderate and employment markets still buoyant.

On the domestic economic front, recent inflation data and a solid labour market has left the Reserve Bank of Australia (RBA) with a difficult predicament; whilst most Western economies have commenced the rate cutting cycle, the RBA board remains firm that rate cuts will not happen this calendar year. A statement in the recent RBA minutes suggests that the board would need two quarterly inflation prints that are individually consistent with the RBA's target band before cutting rates. This has pushed expectations of domestic rate cuts out further to at least May 2025.

The OC Funds portfolio continues to be underweight domestic cyclical exposure, although retail activity anecdotally seems to have been stronger in recent weeks. We caution, however, that discounting in the pre-Christmas sales started even earlier this year and remains ongoing which makes forecasting profitability levels in the sector difficult.

Performance Comparison of \$100,000 over 10 yrs*



Top 5 holdings[#]

Company	ASX Code
GQG Partners Inc.	GQG
HMC Capital Limited	HMC
Pinnacle Investment Management Group	PNI
SGH Limited (formerly Seven Group Holdings)	SGH
Telix Pharmaceuticals Limited	TLX

[#]The top 5 portfolio holdings are in alphabetical order and may not be representative of current or future investments.

Key Facts

Fund Overview

The Fund is a long-only, benchmark-unaware unit trust. It primarily invests in 30 to 50 quality small to medium-sized Australian companies with sustainable business models, quality management and attractive investment fundamentals that are listed, or about to list, on the ASX. The Fund can also invest up to 20% of total capital in either smaller emerging leaders businesses (\$50 million to \$350 million market capitalisation) and/or event-driven positions (companies expected to benefit from an upcoming catalyst or undergoing a positive change).

Responsible entity

Copia Investment Partners

Inception date

December 2000

Benchmark

S&P/ASX Small Ordinaries Accumulation Index

Investment time frame

At least 5 years

Minimum investment

Initial: \$20,000

Additional: \$5,000

Distribution

Yearly

Management fee

1.72% p.a. (including GST net of RITC)

Performance fee

20.5% (including GST net of RITC) of the amount of excess performance in any financial year, subject to a high-water mark.

Performance hurdle

The greater of the net asset value of the Fund at the beginning of the year plus 15% p.a., or the high-water mark.

High-water mark

Yes

Typical Investment Exposure

Cash	0%-20%
Equities	80%-100%
Including:	
S&P/ASX 100 Constituents	0%-20%

Platforms

BT Panorama | HUB24 | Insignia (Expand) | Xplore (Linear) | Macquarie | MLC/Navigator | Netwealth | Powerwrap | Praemium | Mason Stevens



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*The total return performance figures quoted are historical, calculated using end-of-month hard-close 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. * The performance comparison of \$100,000 over 10 years is for illustrative purposes only. All returns shown are based on Australian dollar figures. Past performance is not a reliable indicator of future performance. The total returns shown are prepared on an ongoing basis (i.e. they include all ongoing fees and expenses and assume reinvestment of all distributions). They do not take personal taxation into account. The comparison with the S&P/ASX Small Ordinaries Accumulation Index is for comparative purposes only. Index returns do not allow for transactional, management, operational or tax costs. An index is not managed and investors cannot invest directly in an index.

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