

## Total returns<sup>†</sup>

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. (Nov 2003)
OC Micro-Cap Fund	2.7	3.8	23.2	(4.5)	7.7	12.3	12.5
S&P/ASX Emerging Companies Accum.	(0.9)	6.5	22.3	(2.6)	9.7	10.5	6.1
<b>Outperformance</b>	<b>3.6</b>	<b>(2.7)</b>	<b>1.0</b>	<b>(2.0)</b>	<b>(2.0)</b>	<b>1.8</b>	<b>6.5</b>

## 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 Micro-Cap Fund finished the month up +2.7% which was well ahead of the S&P/ASX Emerging Companies Accumulation Index which was down -0.9%.

**Silk Logistics (SLH, +59.4%)** leapt higher mid-month when it entered into a Scheme Implementation Deed with global logistics heavy weight, DP World, to acquire the company at a 60% premium to the 1 month volume weighted average price. As substantial shareholders in SLH we consider the deal as reasonable value for the stock which had been largely underappreciated by the market since its IPO in mid 2021 and we believe the deal has a high likelihood of completion in February 2025. **Paragon Care (PGC, +17.9%)** tracked higher on the back of its AGM update detailing a positive outlook for the business post its recent merger with CH2. Post merger, PGC is a leading provider of medical equipment, devices, pharmaceuticals, and consumables to the healthcare markets in Australia, New Zealand and Asia and it is also set to benefit from any industry disruption caused by the pending blockbuster Chemist Warehouse-Sigma Group merger. Early stage mine project developer and mining services provider, **Develop Global (DVP, -24.1%)**, traded lower during the month on the back of waning sentiment toward the commodities sector but we continue to back resources entrepreneur, Bill Beament, and his outstanding track record of value creation in the resources space.

## Outlook

The speed and scale of the Trump victory has unleashed the 'animal spirits' of the US market with the S&P 500 and the Dow Jones Industrial Average finishing the month at record highs. In November, the Dow climbed +7.5%, the S&P 500 was up +5.7%, and the Nasdaq 100 rose +5.2%. Most domestic stock indices followed suit, with the benchmark ASX 200 hitting fresh highs late in November.

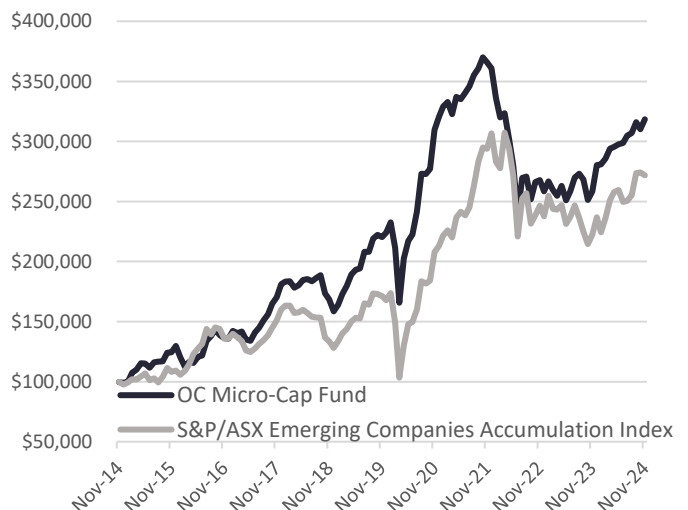
It is anticipated that the 'Trump 2.0' administration will implement pro-business policies favouring deregulation and tax reductions, which are expected to benefit a raft of US exposed small-cap companies in the portfolio including Novonix Limited, Cettire Limited, Appen Limited and Navigator Global Investments.

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.

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



## Top 5 holdings<sup>#</sup>

Company	ASX Code
Aspen Group	APZ
GenusPlus Group Ltd	GNP
Monash IVF Group Limited	MVF
Silk Logistics Holdings Limited	SLH
Viva Leisure Limited	VVA

<sup>#</sup> 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 and primarily invests micro-cap securities listed, or near listing, on the ASX or the New Zealand Stock Exchange with sustainable business models and attractive investment qualities. OC will also invest in a small number of concept stocks that have robust business models and a pathway to profitability within five years and event driven and thematic stocks where we anticipate near term price appreciation. Micro-cap companies, for the purposes of the Fund, are companies with a market capitalisation of less than \$500 million at the time of the initial acquisition.

### Responsible entity

Copia Investment Partners

### Inception date

October 2016 as the OC Micro-Cap Fund. The Fund was previously the OC Concentrated Equity Fund which was established in December 2003.

### Benchmark

S&P/ASX Emerging Companies Accumulation Index

### Investment time frame

At least 5 years

### Minimum investment

Initial: \$5,000

Additional: \$1,000

### Distribution

Yearly

### Management fee

1.20% p.a. (including GST net of RITC)

### Performance fee

20.5% (including GST net of RITC) on any performance (after deducting the management fee) above the Performance Hurdle, subject to the high-water mark and after recovering any past underperformance.

### Performance hurdle

S&P/ASX Emerging Companies Accumulation Index

### High-water mark

Yes

### Typical Investment Exposure

Cash 0%-20%

Equities 70%-100%

Including:

S&P/ASX 300 Constituents 0%-20%

Unlisted Securities 0%-10%

NZX/Foreign Listed Securities 0%-10%

### Platforms

AMP MyNorth | BT Panorama | CFS First Wrap | Hub 24 | Insignia (Expand) | Xplore (Linear) | Macquarie | Netwealth | Powerwrap | Praemium | DASH | Mason Stevens



## CONTACT COPIA

1800 442 129 | [clientservices@copiapartners.com.au](mailto:clientservices@copiapartners.com.au) | [copiapartners.com.au](http://copiapartners.com.au)

\*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 as levied at the time. The index does not incur these costs. This information is provided for general comparative purposes. The returns for the OC Concentrated Equity Fund are used prior to the conversion to the OC Micro-Cap Fund. The inception date of the fund is 21/11/2003, the inception date of the index is 31/12/2003. \*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 Emerging Companies 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.

Past performance is not a reliable indicator of future performance. Positive returns, which the OC Micro-Cap 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 reader. As such, before acting on any information contained in this article, readers should consider the appropriateness of the information to 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 OC Micro-Cap Fund (ARSN 126 537 424). A current PDS is available from Copia located at Level 47, 80 Collins Street (North Tower), Melbourne VIC 3000, by visiting [ocfunds.copiapartners.com.au](http://ocfunds.copiapartners.com.au) 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 recommendation 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 October 2022 are 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. © 2022 Lonsec. All rights reserved.

The Zenith Investment Partners (ABN 27 103 132 672, AFS Licence 226872) ("Zenith") rating (assigned February 2023) referred to in this piece is limited to "General Advice" (s766B 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, including target markets of financial products, where applicable, 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>