

Key Features

Name	Alpha Balanced Fund
APIR Code	ETL4308AU
Inception Date	30 December 2021
Benchmark	Morningstar AUS Balanced Target Allocation NR \$A
Peer Group	Australia Fund Multisector Balanced
Mgmt Costs	0.69% p.a.
Buy/Sell Spread	0.25% / 0.25%
Platforms	PlatformplusWRAP
Fund Size	\$4.3m

Monthly Commentary

The Alpha Balanced Fund delivered a total return of 2.24% (net of fees) in January 2024, which was well above the Morningstar Australian Balanced Target Allocation Index by +1.27% and the Peer Median by +1.39%.

January was the third consecutive strong month for Australian and Global Shares, which were again led by last year's dominate themes in Technology/Artificial Intelligence and Weight Loss Drugs. Bond yields rose in January as traders pushed out expectations for interest rate cuts to later this year and the US Dollar also strengthened.

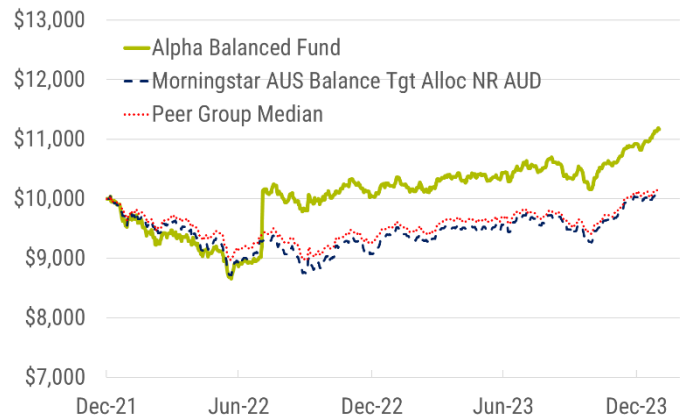
For the Fund, the key contributors were US/Global Technology Giants (including NVIDIA, Microsoft, Meta Platforms, ASML and TSMC) and Big Pharma (Novo Nordisk and Eli Lilly). Other winners were MercaroLibra (South America's equivalent of PayPal/Amazon) and Deckers Outdoor (which owns Australia's UGG Boots).

The key detractors were Australian Resources Shares (BHP, Arcadium Lithium, IGO and Gold Road Resources) and Chinese Shares (Alibaba, Baidu and PDD) which both lagged on the back of China lagging economy. The Fund also had positions in Rockwell Automation and Domino's Pizza, which both sunk on poor earnings results and were sold out due to deteriorating fundamentals. The position in US Treasury Bonds also detracted as bonds underperformed cash due to greater confidence in the economic outlook.

The Fund remains overweight to Growth Assets despite our concerns about the outlook for the economy this year. The current portfolio is biased towards higher quality companies, which should fare better in a tougher earnings environment. We again only made relatively minor changes to the Fund in January, which reflects the recent momentum for our key themes and strong performance of the Fund over the last 12 months. The changes included introducing positions in Logitech (computer software/hardware), Intercontinental Exchange (US share exchange), HUB24 (Australian Investment/Superannuation platform), Volvo (Swedish automobiles) and Manhattan Associates (marketing consultants) and trimming our positions in Goodman Group (Australian Property/Fund Manager) and Williams Companies (US Energy Infrastructure) on valuation grounds. The Fund remains underweight US banks and US Listed Property, which are the major areas of concern this year given the large increase in interest rates over the last two years.

Your financial adviser will take the time to discuss this report with you and answer any questions you may have.

Performance



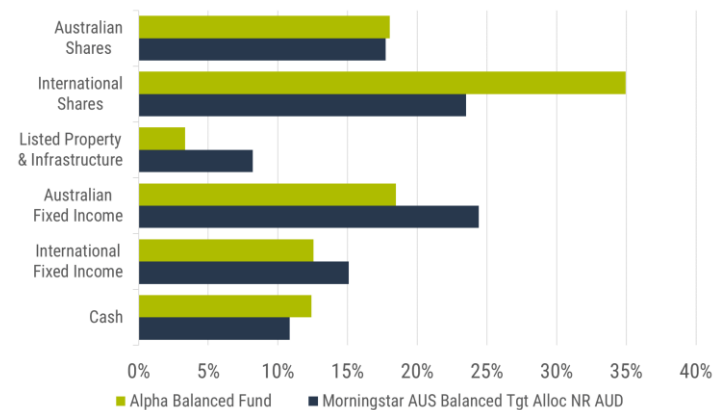
Performance	1mth	3mth	6mth	1yr	2yrs	Inception
Alpha Balanced	2.24%	9.62%	5.62%	9.10%	7.35%	5.20%
Benchmark	0.97%	8.99%	4.19%	7.53%	2.16%	0.46%
Peer Median	0.85%	8.04%	3.48%	6.92%	2.35%	0.92%

Disclaimer: Net performance figures are shown after all fees and expenses. Past performance is not an indicator of future performance. Returns for periods 1 year or greater are calculated on an annualised basis.

Peer Median: Morningstar Category: Australian Multisector – Balanced

Source: Morningstar Direct (to 31 January 2024)

Asset Class Exposures



Top 10 Holdings

Security	Ticker	Country	Weight
Commonwealth Bank of Australia	CBA	Australia	3.1%
BHP Group	BHP	Australia	3.1%
Microsoft Corp	MSFT	United States	1.9%
ANZ Group Holdings	ANZ	Australia	1.4%
Alphabet	GOOGL	United States	1.4%
NVIDIA Corp	NVDA	United States	1.3%
Wesfarmers	WES	Australia	1.2%
Meta Platforms	META	United States	1.1%
Novo Nordisk A/S ADR	NVO	United States	1.0%
ASML Holding NV	ASML	Netherlands	0.9%