

Akambo International Equities Fund

AFSL 322056

The Fund's objective is to provide long-term capital appreciation by investing primarily in a portfolio of securities of companies which are traded, listed or due to be listed, on recognised exchanges and/or markets throughout the world.

The portfolio may include investments in the securities of companies traded, listed or due to be listed, on recognised exchanges and/or markets, or developing countries.

Top 10 Holdings as at November 30, 2024

	Weight
Microsoft Corporation	6.31%
Amazon.Com Inc	5.34%
Betashares Japan ETF	5.31%
Bank of America Corp	5.18%
VanEck MSCI International Small Companies ETF - AUD Hedged	4.44%
VanEck Gold Miners ETF	4.43%
Freeport-McMoran inc	4.39%
Palo Alto Networks Inc	4.36%
Linde PLC	3.89%
Sony Group Corporation	3.88%

Market Update and Commentary

November Update

International share markets were mostly higher in November. The S&P 500 surged 5.73% to an all-time high, Europe's STOXX 600 rose 0.96%, the UK's FTSE 100 rose 2.18%, China's Shanghai Composite rose 1.42%, while Japan's Nikkei 225 fell 2.23%. The S&P 500 bounced back strongly from the October decline to finish higher for nine of the past eleven months, now up 26.5% with one month to go in CY2024, on track for consecutive annual gains of at least 20% for the first time since the 1995-1998 period. The small cap Russell 2000 up 10.84% for the month was the standout with a much more decisive and comprehensive than expected Republican win in the US election boosting US stocks in general, and mid and small caps and small businesses sentiment in particular. The "red sweep" election result was positively received by investors due to expectations of pro-business policies. Key factors included anticipated tax cuts, deregulation, and increased spending on infrastructure and energy. These measures were seen as favourable for corporate earnings, economic growth, and job creation. Amongst the US election euphoria, valuation concerns persisted with the S&P 500 trailing P/E at over 26x by the end of the month, the fourth highest in the last 125 years and US equities trading at a record P/E premium to the MSCI World ex-US of nearly 60%. The month saw robust performances from cyclical sectors like technology and industrials, driven by declining interest rates and optimism about economic growth under anticipated policy changes. Corporate buybacks provided an additional boost, with U.S. firms authorising a record \$1.14 trillion in share repurchases in 2024, up 17% from 2023 levels. Significant inflows into US mutual funds and ETFs reinforced bullish sentiment for US equities with November inflows totalling a record-breaking \$141.8 billion. Despite these gains, technical indicators like the Volatility Index (VIX) suggested underlying caution, as investors hedged against potential risks, including geopolitical and election-related uncertainties.

Akambo International Equities Fund

AFSL 322056

Market Update and Commentary

Monthly Performance:

The Portfolio rose 2.93% in November while the benchmark MSCI All Country World Index rose 4.46% in AUD terms.

The largest contributors to the Portfolio in November were Sony (SONY) up 14.55% on a better-than-expected Q2 earnings result, Bank of America (BAC) up 14.23% on the prospects for lower regulations, and Eaton (ETN) up 14.17% on an improved outlook for US industrials. The largest detractors were the Goldminers ETF (GDJ) down 6.13% on a lower gold price, AIA Group (AIA) down 4.94%, and the Gold Bullion ETF (QUA) down 4.69%.

Portfolio changes:

There were several changes again in November as we continue to reposition the portfolio in light of results from the recent reporting period and the Trump election, including new positions in leading digital marketing and media solutions company Adobe (ADBE), Facebook owner Meta Platforms (META) and global industrial company Honeywell (HON). We added to existing positions in Constellation Energy (CEG), Novo Nordisk (NOVO) and AIA Group (1299). We also reduced a larger position in UK utility company SSE PLC (SSE), and further reduced the China New ETF (CNEW) in preference of single name exposures.

Company updates:

Eaton Corp (ETN), a leading US intelligent power management company reported a strong Q3 in November with EPS of \$2.84 ex-items up 15% over 2023 and ahead of the \$2.80 estimate. Q3 revenue of \$6.35B was largely in line. Operating cash flow was \$1.3 billion and free cash flow of \$1.1 billion, both quarterly records and up 15% and 23%, respectively, over the same period in 2023 with the company noting accelerating orders and continued backlog growth. CEO Craig Arnold said, "Our business and teams performed well in the quarter. We executed effectively, resulting in order acceleration and further backlog growth in an environment of continuing strong demand. As a result, we're confident in our ability to close the year strong with raised earnings guidance and expect this positive momentum to continue into 2025". Full year guidance was also increased to EPS in the \$10.75-10.81 ex-items range vs prior guidance of \$10.65-10.75.

Sony (SONY) reported a strong Q2 in November with net income attributable of ¥338.5B well ahead of the ¥245.47B expected with profit up 69% from a year earlier on the back of strong sales of its image sensors, games, music and network services. Results were boosted by healthy demand around the world for image sensors used in mobile products. Sales also held up in its video games division where Game and Network Services sales grew 12% year over year to 1.72 trillion yen due to an increase in third-party software sales, despite a decrease in hardware sales with 3.8 million PlayStation 5 game consoles were sold globally, compared with 4.9 million units sold the same period a year ago. Sony also increased their revenue guidance to 12.71 trillion yen for the full year, up from its previous guidance of 12.6 trillion yen.

Palo Alto Networks (PANW) the leading global cybersecurity firm reported solid Q1 results in November with Q1 EPS \$1.56 ex-items ahead of the \$1.48 expected with Q1 GAAP net income of \$350.7 million compared to \$194.2 million in Q1 last year. Q1 revenue grew 14% year over year to \$2.1 billion which was largely in line. "Our Q1 results reinforced our conviction in our differentiated platformization strategy," said CEO Nikesh Arora adding "We see a growing market realization that platformization is the game changer that will solve security and enable better AI outcomes. I expect this will be a multiyear trend for which we are best positioned to deliver to our customers." The company also announced a two-for-one stock split to take place in December.

**The above portfolio composition, weightings, and manager comments were current as of 30th November 2024. Past performance is not a reliable indicator of future performance. Returns are calculated and referenced in Australian Dollars before fees and net of franking credits.

Akambo Disclaimer: the information presented in this fact sheet is not intended to be advice. It does not take into account any particular investors or class of investors investment objectives, financial situation or needs, and should not be used as the basis for making investment, financial or other decisions. The investment returns shown are historical and no warranty can be given for future performance. You should be aware that historical performance is not a reliable indicator of future performance. Due to the volatility of underlying assets of the fund and other risk factors associated with investing, investment returns can be negative (particularly in the short term). To the extent permitted by law no liability is accepted for any loss or damage as a result of any reliance on this information. Akambo does not guarantee the repayment of capital, payment of income or the portfolio performance. Neither Akambo nor its affiliates guarantee the data or content contained herein to be accurate, complete or timely nor will they have any liability for its use or distribution.

Akambo International Equities Fund

AFSL 322056

Portfolio Details

Top 5 Contributors and Detractors

Contributors

- Bank of America Corporation
- Amazon.com Inc
- Sony Group Corporation
- Eaton Corporation PLC
- Palo Alto Networks Inc

Detractors

- VanEck Gold Miners ETF
- BetaShares Gold Bullion ETF
- Broadcom Inc
- Thermo Fisher Scientific Inc
- AIA Group Limited

Portfolio Characteristics

30/11/2024	Port	Bench	Relative
# of Holdings	30.00		
Price to Earnings Ratio	23.96	22.95	1.01
Price to Book Ratio	3.12	3.37	-0.25
Dividend Yield	2.32	1.97	0.35

Sector Weights

30/11/2024	% Wgt	
	Port	+/-
Communication Services	6.97	-0.77
Consumer Discretionary	12.46	1.72
Consumer Staples	1.07	-5.02
Energy	3.43	-0.62
Financials	16.08	-1.28
Health Care	8.18	-1.91
Industrials	6.73	-3.93
Information Technology	22.73	-2.19
Materials	13.56	9.92
Real Estate	0.16	-1.93
Utilities	4.65	2.02
Not Classified	4.02	4.02

Geography

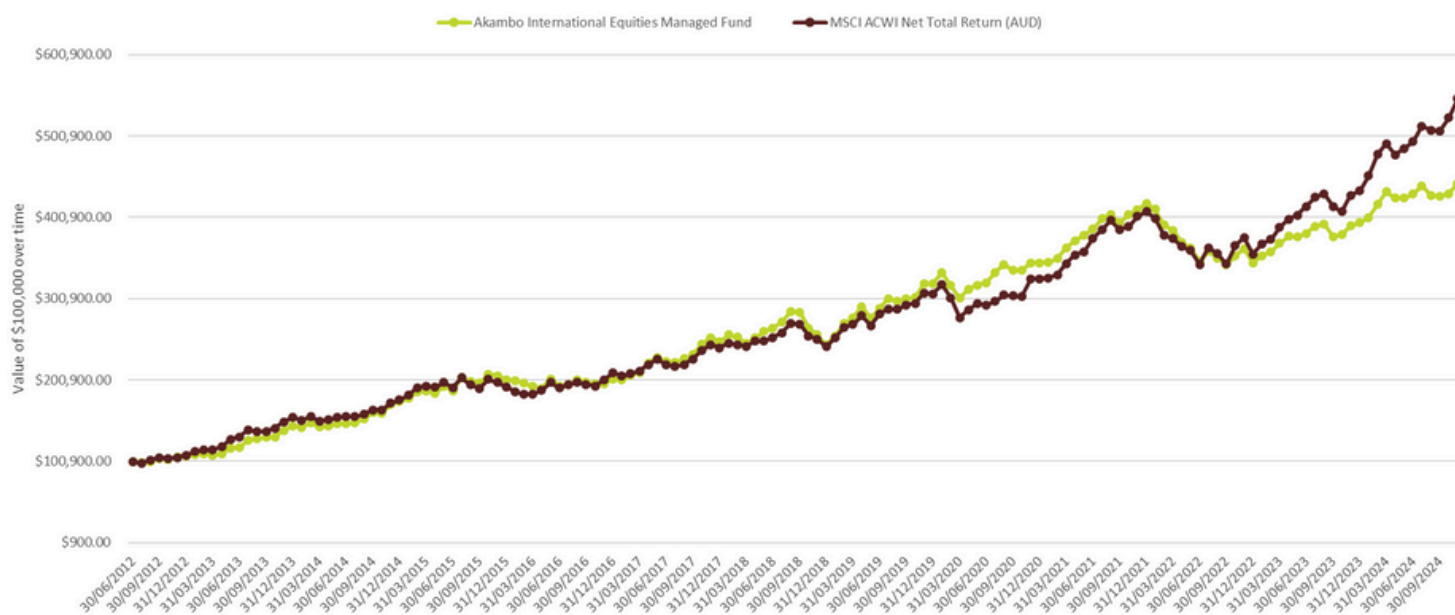
30/11/2024	% Wgt	
	Port	+/-
North America	65.68	-4.96
South & Central America	0.36	-0.32
Western Europe	9.26	-1.61
Asia Pacific	20.50	6.18
Eastern Europe	0.05	-0.14
Central Asia	3.70	1.59
Africa / Middle East	0.44	-0.75

Akambo Disclaimer: the information presented in this fact sheet is not intended to be advice. It does not take into account any particular investors or class of investors investment objectives, financial situation or needs, and should not be used as the basis for making investment, financial or other decisions. The investment returns shown are historical and no warranty can be given for future performance. You should be aware that historical performance is not a reliable indicator of future performance. Due to the volatility of underlying assets of the fund and other risk factors associated with investing, investment returns can be negative (particularly in the short term). To the extent permitted by law no liability is accepted for any loss or damage as a result of any reliance on this information. Akambo does not guarantee the repayment of capital, payment of income or the portfolio performance. Neither Akambo nor its affiliates guarantee the data or content contained herein to be accurate, complete or timely nor will they have any liability for its use or distribution.

Akambo International Equities Fund

AFSL 322056

Portfolio Performance



	Akambo International Equities Fund	MSCI ACWI (net in AUD)	-/+
Since fund inception p.a 16/02/2022	6.95%	16.35%	-9.41%
Since strategy inception p.a 30/06/2012	12.73%	14.66%	-1.93%
10 year return p.a.	9.97%	12.23%	-2.25%
5 year return p.a.	6.78%	12.17%	-5.40%
3 year return p.a.	2.54%	10.78%	-8.24%
12 month return	13.42%	27.72%	-14.30%
6 month return	4.26%	12.54%	-8.28%
3 month return	3.38%	12.54%	-4.15%
1 month return	2.93%	4.46%	-1.52%

*Data sourced from Bloomberg

Past performance is no indication of future performance. Investments may rise and fall in value and returns cannot be guaranteed. Returns are based on the mid-point of unit prices and are net of all fees and charges. Unless otherwise stated, all figures are in Australian dollars and include GST. Return calculations covering a period greater than 12 months assume the reinvestment of distributions.

**The Akambo International Equities Fund (Fund) has been operating since 16/02/2022. The Fund employs the same International Equities strategy, that was used by Akambo who manage the Akambo International Equities strategy. To give a longer-term view of performance using this investment strategy, we have shown historical returns for the Akambo International Equities strategy. Returns shown for the period from 30/06/2012 reflect the returns of the Investment Strategy calculated after fees. This historical performance has been provided for information purposes only. While the strategy has been running since 1 July 2012, the Fund only became available/was incepted in 16/02/2022. Accordingly, the actual performance of the Fund since its inception will be different to the performance of the strategy. Past performance is not a reliable indicator of future performance.

Akambo Disclaimer: the information presented in this fact sheet is not intended to be advice. It does not take into account any particular investors or class of investors investment objectives, financial situation or needs, and should not be used as the basis for making investment, financial or other decisions. The investment returns shown are historical and no warranty can be given for future performance. You should be aware that historical performance is not a reliable indicator of future performance. Due to the volatility of underlying assets of the fund and other risk factors associated with investing, investment returns can be negative (particularly in the short term). To the extent permitted by law no liability is accepted for any loss or damage as a result of any reliance on this information. Akambo does not guarantee the repayment of capital, payment of income or the portfolio performance. Neither Akambo nor its affiliates guarantee the data or content contained herein to be accurate, complete or timely nor will they have any liability for its use or distribution.

Akambo International Equities Fund

AFSL 322056

Company Details

Investment Manager

Akambo Pty Ltd is an investment management and wealth advisory business which manages over \$1 billion for retail, wholesale, and not-for-profit entities.

Founded in 2007, Akambo is owned and operated by highly regarded industry specialists, with a consistent track record of delivering strong risk-adjusted returns across a range of domestic and international asset classes.

Foremost in the philosophy of Akambo is the protection of capital and the management of risk, which is driven by a strong focus on robust investment management processes and systems.

Target Market Determination

The Fund's Target Market Determination is available here:





<https://www.eqt.com.au/insto>.

A Target Market Determination is a document which is required to be made available from 5 October 2021. It describes who this financial product is likely to be appropriate for (i.e., the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed.

Fund Features

- An international equities portfolio using the MSCI All Country World Index (Net in AUD) as its benchmark.
- A high conviction portfolio with a maximum 30 securities.
- "Style agnostic", with the portfolio consisting of both "growth" and "value" investments.
- A focus on large capitalisation global companies with strong brand awareness.
- A "long only" strategy with an active cash weighting in order to manage risk.
- A concentrated, large capitalisation global equities exposure through the one fund.
- A highly regarded investment management team with extensive experience, demonstrating robust investment and risk management processes and approach.

Contact Details

-  Level 9, 90 Collins Street, Melbourne, Victoria 3000
-  www.akambofg.com
-  03 9602 3233
-  03 9602 5009

Akambo International Equities Fund

AFSL 322056

Equity Trustees Limited ("Equity Trustees") (ABN 46 004 031 298), AFSL 240975, is the Responsible Entity for the Akambo International Equities Fund. Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT). Akambo Financial Group ACN 123 078 900 is the Investment Manager of the Fund AFSL 32205.



The rating contained in this document is issued by SQM Research Pty Ltd ABN 93 122 592 036 AFSL 421913. SQM Research is an investment research firm that undertakes research on investment products exclusively for its wholesale clients, utilising a proprietary review and star rating system. The SQM Research star rating system is of a general nature and does not take into account the particular circumstances or needs of any specific person. The rating may be subject to change at any time. Only licensed financial advisers may use the SQM Research star rating system in determining whether an investment is appropriate to a person's particular circumstances or needs. You should read the product disclosure statement and consult a licensed financial adviser before making an investment decision in relation to this investment product. SQM Research receives a fee from the Fund Manager for the research and rating of the managed investment scheme.

This report has been prepared by Akambo Financial Group, to provide you with general information only. In preparing this information, we did not take into account the investment objectives, financial situation or particular needs of any particular person. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. Neither Akambo Financial Group, Equity Trustees nor any of its related parties, their employees or directors, provide any warranty of accuracy or reliability in relation to such information or accepts any liability to any person who relies on it. Past performance should not be taken as an indicator of future performance. You should obtain a copy of the Product Disclosure Statement before making a decision about whether to invest in this product.