



Drummond Dynamic Plus Fund

September 2023

COMMENTARY

September lived up to its reputation as being a seasonally weak period for share markets with Global equities (MSCI ACWI Index) falling -3.5%. Australian equities (ASX200) softened, down -2.8%, and emerging markets were also weaker, down -2.6%, as rising bond yields put pressure on global risk sentiment. US bond markets fell -2.2% as did US investment grade credit, dropping -3.6% as yields pushed higher. Conversely, commodity markets were up +4.1% which was driven in large part by sharply rising energy prices off the back of Saudi and Russian production cuts. The AUD fell -0.4% against the USD.

Equity markets globally continue to drift since their July highs due given a more resilient than expected US economy this year leading to central bank rhetoric reinforcing a 'higher for longer' backdrop on interest rates. Bond yields accelerated their march higher in September, with better growth combining with growing concerns over the impact the rapid rise in fiscal spending is having on the US government deficit at a time where the Federal Reserve is not a buyer of US treasuries and supply is only increasing. The long end selloff is driving real yields much higher in conjunction with rising oil prices and a strong USD which is not a good combination for equity markets.

With inflows into the Fund, the only activity in the portfolio was partially re-balancing exposure. This still left the Fund with reduced exposure versus the prior month to equities and bonds in a seasonally weak month where both asset classes fell. We continue to look for more stability in the bond market as the positive catalyst to allow markets to enjoy the typically strong period over the summer.

FUND PERFORMANCE (NET)

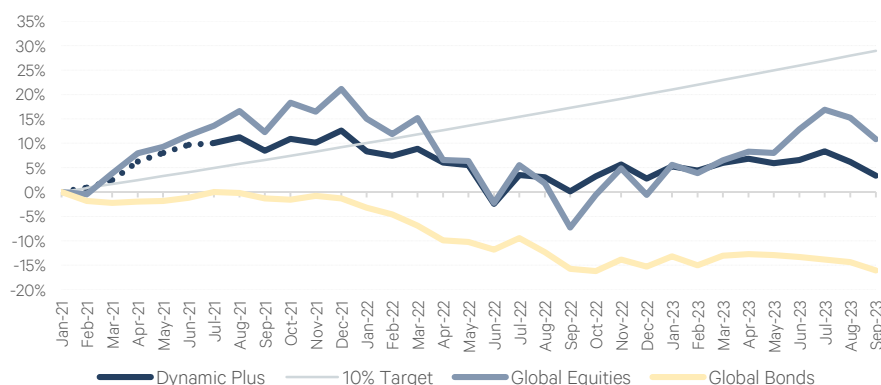
	1m	3m	6m	1yr	2yr pa	Inception pa
Dynamic Plus Fund	-2.6%	-3.0%	-2.4%	3.2%	-2.4%	1.2%

FUND PERFORMANCE BY MONTH (NET)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	-	0.9%	1.5%	3.7%	1.7%	1.5%	0.3%	1.1%	-2.5%	2.2%	-0.7%	2.3%	12.6*
2022	-3.8%	-0.8%	1.4%	-2.6%	-0.5%	-7.4%	6.0%	-0.4%	-2.8%	3.0%	2.4%	-2.7%	-8.8%
2023	2.4%	-0.8%	1.5%	0.8%	-0.8%	0.6%	1.6%	-2.0%	-2.6%				0.6%

Source: Drummond Capital Partners, Interactive Brokers. *Performance from 1/2/21 to 31/7/21 is based upon a separate account managed under the same strategy and similar fee structure. The Drummond Dynamic Plus Fund (ABN 69109453831) commenced 1 August 2021 and performance from this date on is based upon fund returns not the separate account. Past performance is not indicative of future performance. Performance reported is net of fees.

PERFORMANCE GROWTH



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FUND DESCRIPTION

The Dynamic Plus Fund is a dynamically managed, global multi-asset fund. The fund seeks to provide investors with an attractive return in a low return world by capturing market beta across growth and defensive asset classes combined with tactical asset allocation processes and risk management across liquid global markets. The fund is suitable for wholesale investors and should be considered over a 5-year horizon.

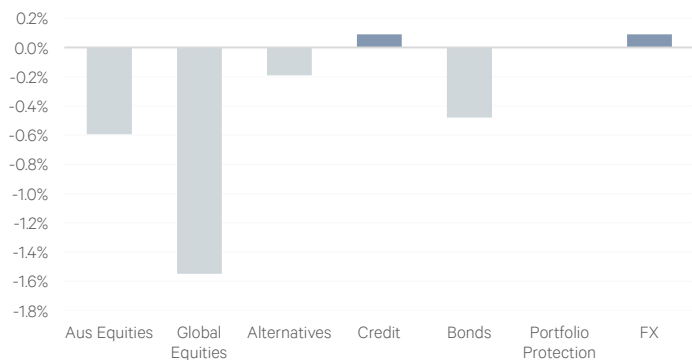
FUND POSITIONING – Sep 2023

Australian Equities	20.3%
International Equities	33.1%
Alternative Assets	7.1%
Bonds	16.9%
Credit	18.5%
Gross Exposure	96.0%
FX Hedging	9.0%

KEY FACTS

Strategy FUM	\$53.4m
APIR Code	DCP4812AU
Inception Date	Aug-21
Strategy	Multi-Strat
Target	10.0% p.a.
Manager Fees	0.7% p.a.
Perf. Fee	15.0%
Perf. Hurdle	5.0%
High Water Mark	Yes
Liquidity	Monthly
Fund Admin	Apex
Fund Trustee	Evolution
Fund Auditor	E&Y

ASSET CLASS CONTRIBUTION – September 2023



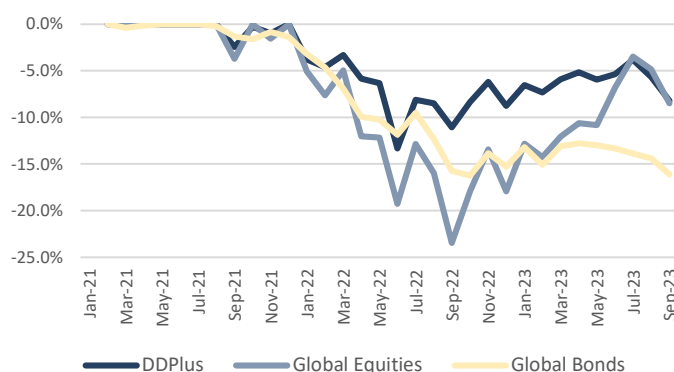
Source: Drummond Capital Partners, Interactive Brokers.

RISK STATISTICS - September 2023

Std. Dev. (p.a.)	9.0%
Max. Draw (3yr)	-13.3%
Sharpe Ratio (p.a.)	-0.0
Positive Months	56.3%

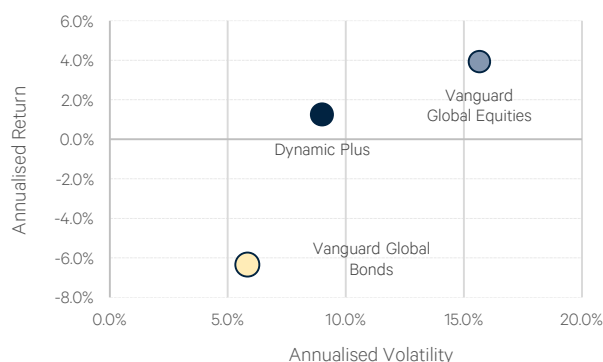
Source: Drummond Capital Partners, Interactive Brokers, Refinitiv

FUND DRAWDOWN ANALYSIS

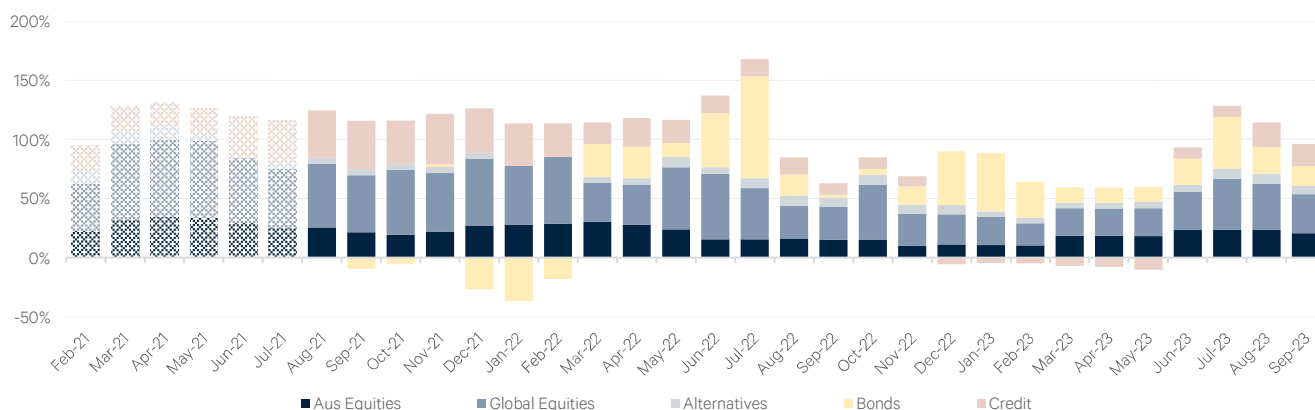


Source: Drummond Capital Partners, Interactive Brokers, Refinitiv

RISK REWARD COMPARISON



HISTORICAL PORTFOLIO EXPOSURE



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