



Drummond Dynamic Plus Fund

December 2023

COMMENTARY

Major equity market indices continued their year end rally in December. Global equities (MSCI ACWI Index) rose 4.1% whilst Australian equities (ASX200) rose strongly, gaining 7.3%, outperforming offshore benchmarks as small caps and real estate stocks continued their recovery. Emerging markets were the standout laggard for most of the month as China uncertainty continues. Bond markets also continued their rally, with US and Australian bonds gaining 3%. Commodities were again subdued as oil remained weak with the broad commodity index falling -3.3% while the AUD again rallied versus the USD, gaining 2.9%.

While expectations for the last Federal Reserve meeting of the year were for chairman Powell to deliver a hawkish hold, the reality was anything but. Instead, he delivered a dovish surprise via increased expected rate cuts for 2024. Markets had been bouncing in November on cooling inflation and already supportive Fed comments however what was essentially a pivot by the Fed only cemented the soft-landing narrative and continued the positive market momentum. No question uncertainty remains around the possibility of a recession in 2024, but now at least the Federal Reserve are openly looking to support growth as inflation cools, rather than risk staying too tight for too long and deliver a hard landing.

The Fund produced another positive month with returns driven by equity exposure and bonds while credit also contributed. This rounded out the year in which the Fund delivered a total return of 5.6%. While below our long-term objectives, given the broad market volatility and macro uncertainty, it's not a bad risk-adjusted result. During the month we added to global equities and global real estate in the wake of the Fed's commitment to not keep rates higher for longer whilst also reducing bonds in favour of higher yielding credit.

FUND PERFORMANCE (NET)

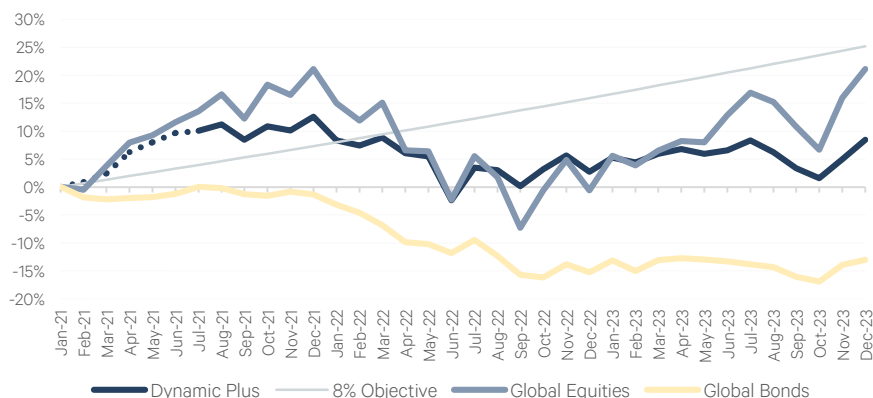
	1m	3m	6m	1yr	2yr pa	Inception pa
Dynamic Plus Fund	3.3%	4.9%	1.8%	5.6%	-1.9%	2.8%

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%	-1.8%	3.4%	3.3%	5.6%

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 – Dec 2023

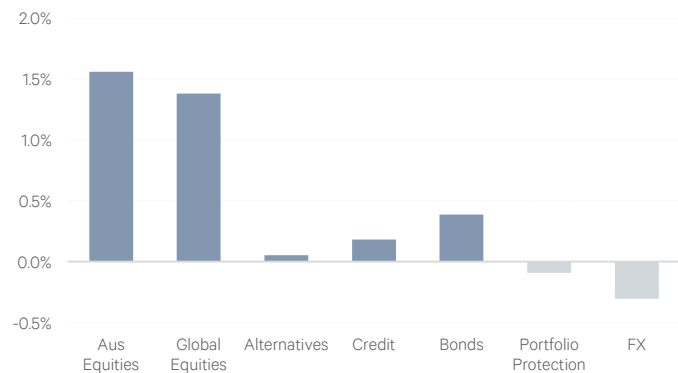
Australian Equities	23.5%
International Equities	34.5%
Alternative Assets	5.6%
Bonds	6.8%
Credit	21.9%
Gross Exposure	99.6%
FX Hedging	19.5%

KEY FACTS

Strategy FUM	\$54.5m
APIR Code	DCP4812AU
Inception Date	Aug-21
Strategy	Multi-Strat
Objective	8.0% p.a.
Manager Fees	0.41% p.a.
Perf. Fee	15.0%
Perf. Hurdle	8.0%
High Water Mark	Yes
Liquidity	Daily
Fund Admin	Apex
Fund Trustee	Evolution
Fund Auditor	E&Y



ASSET CLASS CONTRIBUTION – December 2023



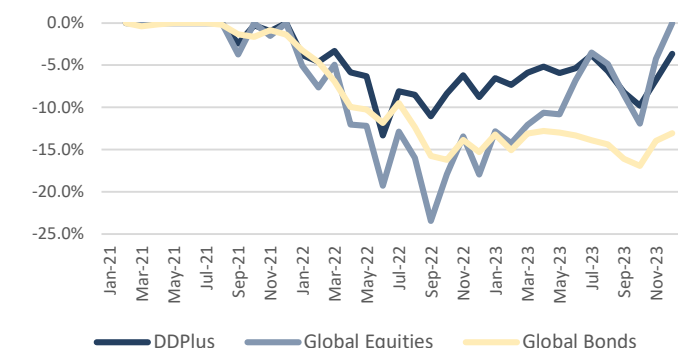
Source: Drummond Capital Partners, Interactive Brokers.

RISK STATISTICS - December 2023

Std. Dev. (p.a.)	9.1%
Max. Draw (3yr)	-13.3%
Sharpe Ratio (p.a.)	0.1
Positive Months	57.1%

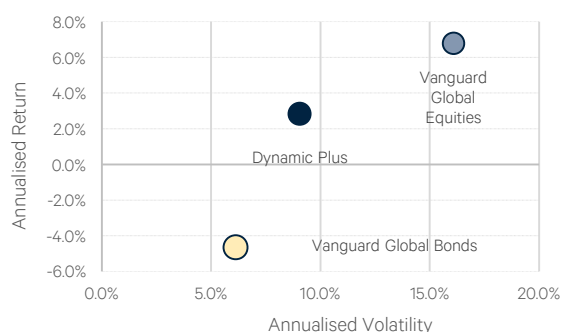
Source: Drummond Capital Partners, Interactive Brokers, Refinitiv

FUND DRAWDOWN ANALYSIS

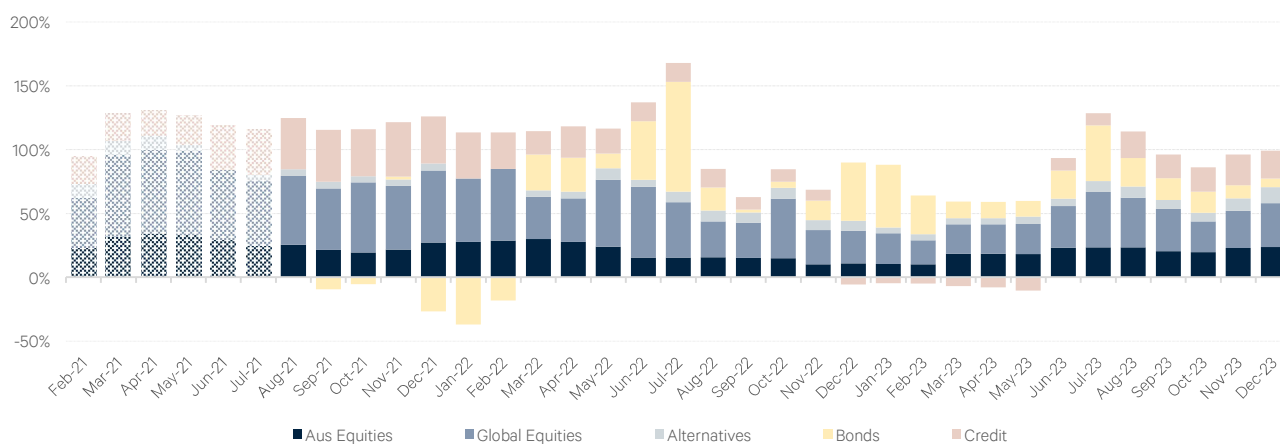


Source: Drummond Capital Partners, Interactive Brokers, Refinitiv

RISK REWARD COMPARISON



HISTORICAL PORTFOLIO EXPOSURE



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