



# Drummond Dynamic Plus Fund

## January 2024

### COMMENTARY

Major equity market indices continued their rally into the first month of 2024 with global equities (MSCI ACWI Index) up 1.3%. Growth stocks (aka 'Magnificent 7') lifted the market higher as we witnessed a return to much of 2023's narrow market leadership. Australian equities (ASX200) also pushed higher, gaining 1.2% and closed the month at a new record high though emerging markets were lackluster as woes in China's property sector weighed. Bond and credit markets were benign over the month whilst the broad commodity market rallied 4.5%, as the oil price booked its first monthly gain since September. The AUD reversed the trend of the two prior months and weakened -3.9% vs the USD.

Given economic growth has been surprisingly solid so far this year it wasn't unexpected that at their January meeting the Federal Reserve walked back on delivering near term rate cuts. This meant that the lower quality winners in December faltered again as the safety of the mega cap technology stocks won out. January saw extraordinary outperformance from market darlings like Nvidia heading into an earnings season where investors were generally rewarded with solid results. While the market winners list remains very concentrated, it continues to look more probable that said winners will hold up the market long enough for investors to get more comfort on the earnings trajectory of the majority of businesses as the economy improves alongside eventual easing of interest rates. This should deliver another reasonable result for investors in risk assets this year.

The Fund was positive again in January with returns driven by equity exposure and the reasonable fall in the AUD. During the month we added marginally to global equities and offshore loans as the economic outlook continues to improve amidst a more favourable stance on interest rates from the Federal Reserve.

### FUND PERFORMANCE (NET)

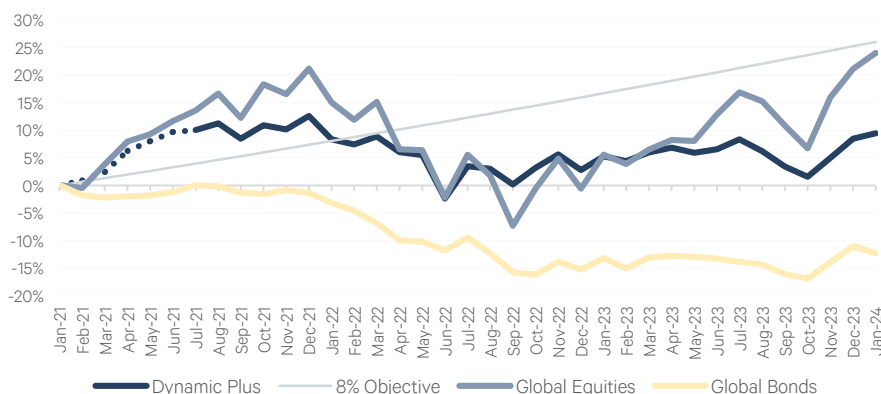
	1m	3m	6m	1yr	2yr pa	Inception pa
Dynamic Plus Fund	1.0%	7.9%	12%	4.1%	0.6%	3.1%

### 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%
2024	1.0%												1.0%

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



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.

### 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 – Jan 2024

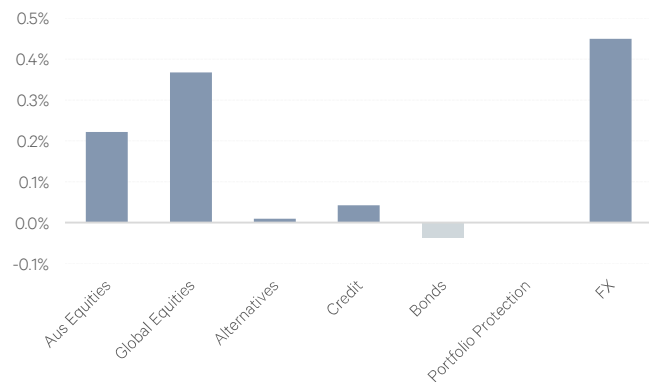
Australian Equities	25.3%
International Equities	38.6%
Alternative Assets	13.3%
Bonds	7.2%
Credit	23.7%
Gross Exposure	108.6%
FX Hedging	21.8%

### KEY FACTS

Strategy FUM	\$41.6m
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 – January 2024



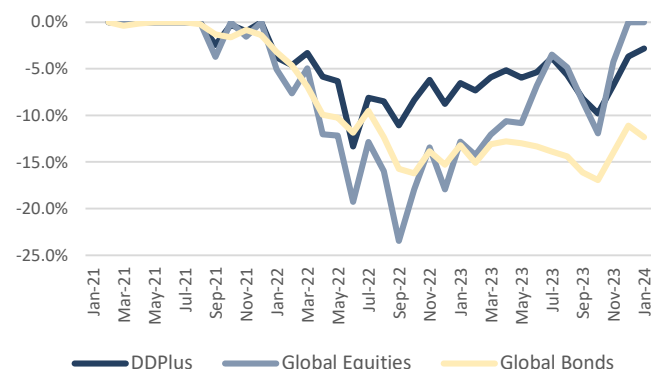
Source: Drummond Capital Partners, Interactive Brokers,

## RISK STATISTICS - January 2024

Std. Dev. (p.a.)	8.9%
Max. Draw (3yr)	-13.3%
Sharpe Ratio (p.a.)	0.2
Positive Months	58.3%

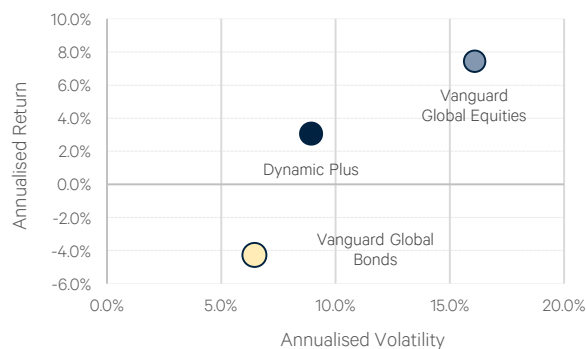
Source: Drummond Capital Partners, Interactive Brokers, Refinitiv

## FUND DRAWDOWN ANALYSIS

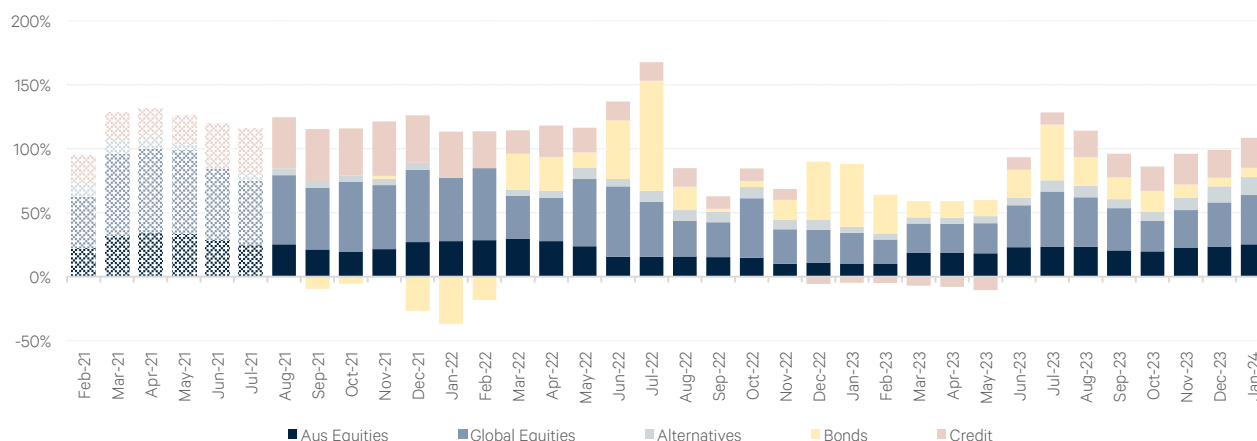


Source: Drummond Capital Partners, Interactive Brokers, Refinitiv

## RISK REWARD COMPARISON



## HISTORICAL PORTFOLIO EXPOSURE



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.

## DISCLAIMER

**Wholesale Fund Material:** The material contained within this document about the Drummond Dynamic Plus Fund ("Fund") has been prepared and is issued by Drummond Capital Partners Pty Ltd (ACN 622 660 182) AFSL No. 534213 ("Manager"). Figures referred to in document are unaudited. The document is not intended to provide advice to investors or take into account an individual's financial circumstances or investment objectives. This is general investment advice only and does not constitute advice to any person. Neither Manager nor the Fund's Trustee (Evolution Trustees Limited ACN 611 839 519, AFSL No 486217 ("Evolution")) guarantee repayment of capital or any rate of return from the Fund. Neither Evolution nor the Manager gives any representation or warranty as to the reliability, completeness or accuracy of the information contained in this document. Investors should consult their financial adviser in relation to any material within this document. Past performance is not a reliable indicator of future performance. Investors should consider any offer document of the Fund and any other material published by the Manager or Evolution in deciding whether to acquire units in the Fund. This information is available by contacting the Manager at enquiries@drummondcp.com