



Drummond Dynamic Plus Fund

February 2024

COMMENTARY

Major equity markets continued their rally through February with global equities (MSCI ACWI Index) up 4.7% due to robust economic data and enthusiasm for AI boosting US technology stocks on the back of good earnings results. Australian equities (ASX 200) nudged out a modest gain of 0.8% while emerging markets performed well, up 4.8% as China delivered more share market support measures. Government bonds were weaker as inflation numbers came in stronger than expected for January, reducing expectations for Federal Reserve interest rate cuts over 2024. The broad commodity market was up 0.9% while the AUD continued to weaken against the USD as the market pushes out US rate cut expectations.

While US equity markets have been strong so far in 2024, most of the gains have been concentrated in a small number of technology stocks because of AI positivity. Whilst we have a market with very narrow leadership, inflation has substantially softened from the 2022 peaks despite solid economic growth, and it appears scope remains for the Federal Reserve to cut rates this year. Whether it's 3 or 7 cuts, a pivot to policy easing is very important for equity markets. Moreover, lead indicators of manufacturing activity along with our growth barometer have begun to pick up of late and this bodes well for the trajectory of earnings growth across the market. This may be setting the stage for a comeback for the majority of stocks left behind by the Magnificent 7.

The Fund was positive in February with returns driven by equity exposure and FX. During the month we added to risk assets (equities) and removed bonds as the economic outlook continues to improve amidst a more favourable stance on interest rates from the Federal Reserve.

FUND PERFORMANCE (NET)

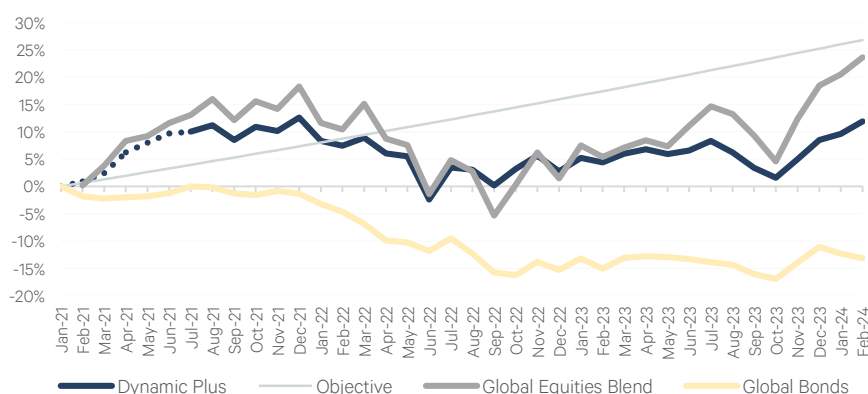
	1m	3m	6m	1yr	3yr pa	Inception pa
Dynamic Plus Fund	2.1%	6.6%	5.4%	7.2%	3.5%	3.7%

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%	2.1%											3.2%

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 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 – Feb 2024

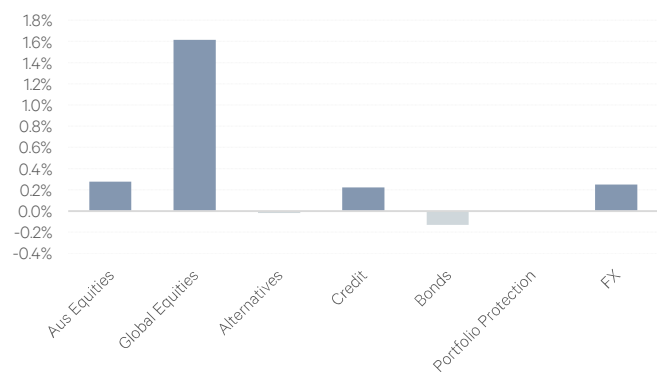
Australian Equities	33.1%
International Equities	48.1%
Alternative Assets	10.3%
Bonds	0.0%
Credit	24.6%
Gross Exposure	116.1%
FX Hedging	40.2%

KEY FACTS

Strategy FUM	\$37.5m
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 – February 2024



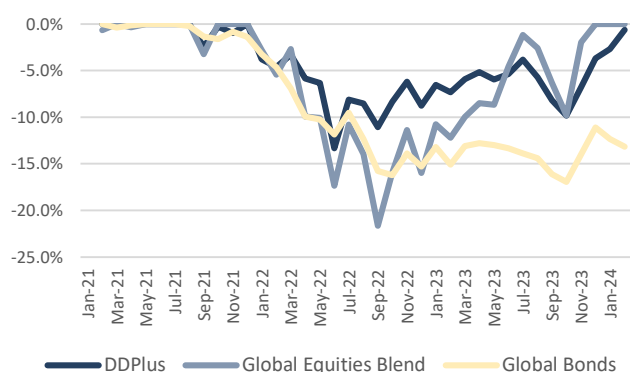
Source: Drummond Capital Partners, Interactive Brokers.

RISK STATISTICS - February 2024

Std. Dev. (p.a.)	8.9%
Max. Drawdown	-13.3%
Sharpe Ratio (p.a.)	0.3
Positive Months	59.5%

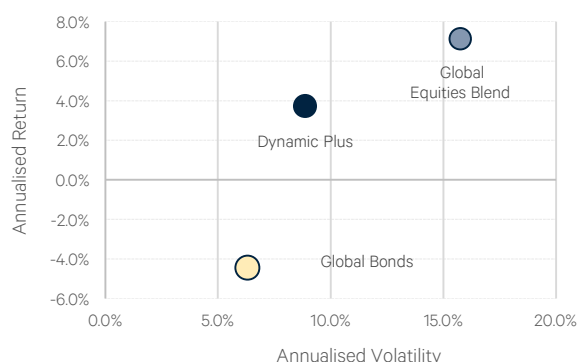
Source: Drummond Capital Partners, Interactive Brokers, Refinitiv

FUND DRAWDOWN ANALYSIS

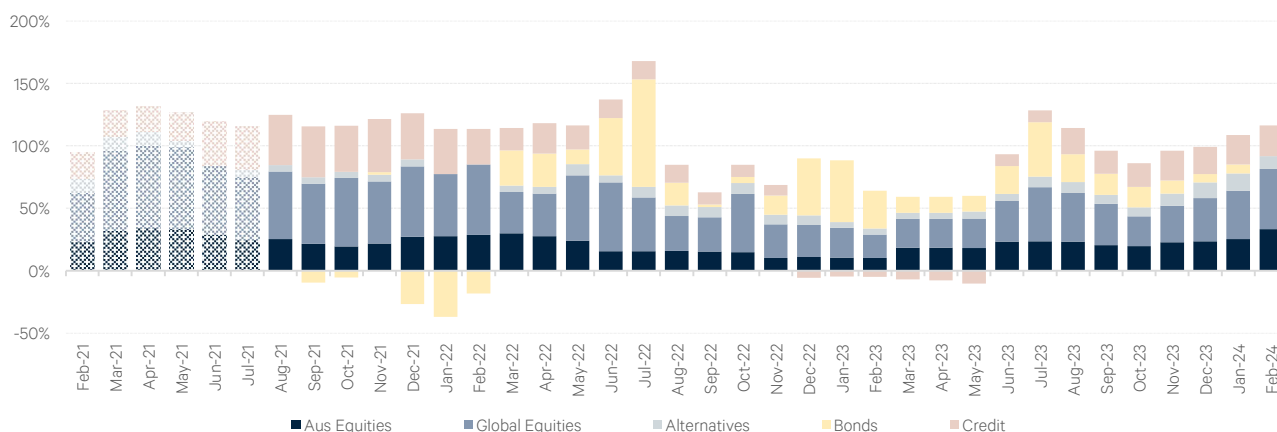


Source: Drummond Capital Partners, Interactive Brokers, Refinitiv

RISK REWARD COMPARISON



HISTORICAL PORTFOLIO EXPOSURE



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