

Navegar Australian Equity Large Cap Portfolio

Portfolio performance - March 2024

	1 mth (%)	3 mth (%)	6 mth (%)	1 yr (% pa)	2 yr (% pa)	S.I. (% pa)
Portfolio Total Return	3.86	6.47	13.60	10.88	5.32	7.02
Benchmark*	3.27	5.33	14.17	14.45	7.03	8.80
Excess Return	0.59	1.14	-0.57	-3.57	-1.71	-1.78

Past performance is not a reliable indicator of future performance. Performance is calculated before taxes and other fees such as model management and platform fees and are net of underlying investment management fees. For full details of fees, please refer to the relevant platform provider. Performance is notional in nature and the actual performance of individual portfolios may differ to the performance of the Managed Portfolios. Inception date 1st March 2018. *Benchmark is the S&P/ASX 200 TR Index AUD.

Market review

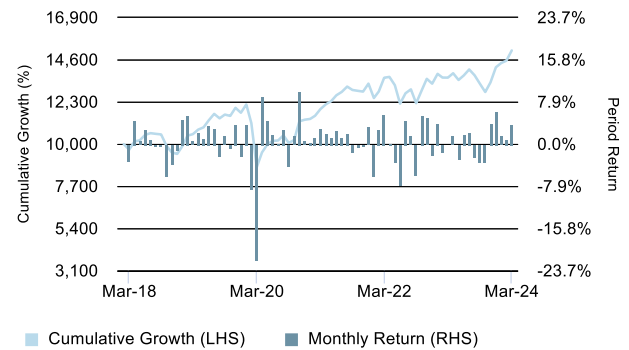
The Australian sharemarket began the year positively, with the ASX300 gaining 5.4% during the March quarter. This period witnessed a rally propelled by growth orientated sectors with Technology up 23.6%, while AREITs were up 16.2% and Consumer Discretionary +13.4% outperformed. Materials (-6.3%) was the weakest performer, driven by the almost 20% decline in iron ore prices over the quarter.

Global equity markets continued to rally in the first quarter of 2024. The strong optimism was attributable to expected global rate cuts and AI excitement. The MSCI AC World ex-Australia Index (AUD) outperformed its hedged global equities counterpart, posting a notable 14.1% return compared to 10.1% return, as the AUD/USD spot rate declined by -4.3%. Emerging markets, posted positive returns, but underperformed their developed market peers, with the MSCI Emerging Markets Index advancing 7.1% over the March quarter.

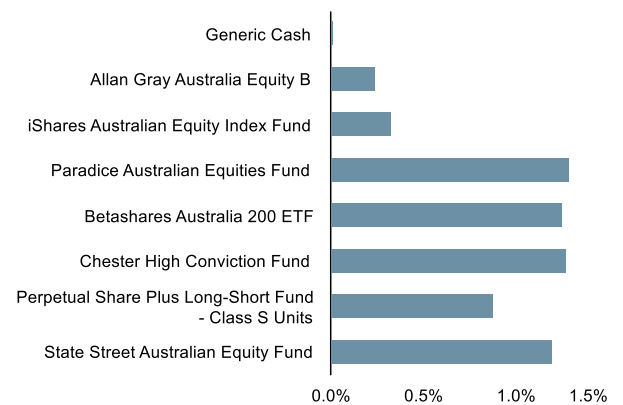
Australian real assets outperformed their equity peers, with another strong quarter as expectation of interest rate cuts supported the AREIT outperformance and boosted market confidence on asset price discovery. Within REITs, the S&P/ASX 300 A-REIT Accumulation Index and the FTSE EPRA/NAREIT Developed Ex Australia Index (AUD Hedged) returned 16.2% and -0.5%, respectively over the quarter. The Global Infrastructure sector (as represented by the FTSE Global Core Infrastructure 50/50 Index (AUD Hedged)) finished 2.5% higher for the quarter.

Central banks including the RBA continued their commentary in the new year that inflation has peaked, and that monetary policy was now on hold waiting for a sustained period of easing pricing pressures before cutting interest rates. As a result, the Bloomberg AusBond Composite 0+ Yr Index for the March quarter returned 1.03% and 1.47% over one year. The global developed investment grade bond market as measured by the Bloomberg Global Aggregate TR Index (AUD Hedged) over the March quarter was up 0.81% and for the year to March, the bond index was up 2.53%.

Cumulative performance



Performance contribution (3 Months)



Performance contribution measures the absolute contribution of each constituent asset class to the total performance of the portfolio.

Portfolio Commentary

The Navegar Australian Equity Large Cap Portfolio outperformed the S&P/ASX 200 TR benchmark for the quarter. All funds contributed positively to absolute performance. The largest contributor was the Paradise Australian Equities Fund.

Over the quarter, Perpetual Share Plus Long-Short Fund - Class S Units, Chester High Conviction Fund and Betashares Australia 200 ETF were added to the portfolio during the quarter. Allan Gray Australia Equity B and iShares Australian Equity Index Fund were removed and State Street Australian Equity Fund was reduced to help fund the new exposures.

We strongly recommend that potential investors read the product disclosure statement or investment statement.

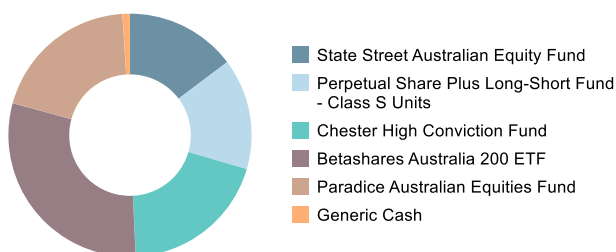
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Portfolio structure

Asset class/Fund	Fund	%
Australian Equities - Large Cap		99
	State Street Australian Equity Fund	
	Perpetual Share Plus Long-Short Fund - Class S Units	
	Chester High Conviction Fund	
	Betashares Australia 200 ETF	
	Paradice Australian Equities Fund	
Cash		1
	Generic Cash	

Asset allocation breakdown



Investment strategy/objective

Portfolio objective

The Portfolio objective is to deliver outperformance of the stated benchmark over rolling three-year periods.

Benchmark: S&P/ASX 200 TR Index AUD.

Investment Philosophy

Navegar seeks to deliver outperformance of the benchmark over rolling three-year periods by:

- Robust investment profiles tailored to meet client objectives
- A diversified approach to portfolio construction, with a strong focus on risk
- Skilled active management at a reasonable cost to add value over and above the index to varying degrees in asset sectors
- Blending strategies with low correlations and non-directional strategies to achieve true diversification.

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