Global Positive Peace Growth Fund

MARCH 2023

PORTFOLIO NAV UNIT PRICE

31 March 2023	**$1.1056**
31 December 2022	$0.9342

PORTFOLIO PERFORMANCE

	3 m	*6 m*	*1 Y*	*2 Y*	*INCEPTION*
GPPGF Portfolio^	17.8%	18.3%	-1.4%	10.4%	11.5%
MSCI World Index in AUD	9.3%	12.2%	2.3%	6.3%	9.8%

^ Source: ECP Asset Management.

Gross performance before impact of fees, taxes and charges. Past performance no predictor of future returns.

MARKET COMMENTARY

Despite the collapse of Silicon Valley Bank (SVB) and the subsequent bailout of Credit Suisse by UBS, global equity markets saw gains in the first quarter of the year. While these events caused a dip in market sentiment in March, the global economy continued to pick up momentum due to the fading of supply side drags and falling energy prices. Growth stocks outperformed value stocks during this period. In fixed income, government bond yields decreased as a result of reduced inflationary pressures across most regions.

In the US, the Federal Reserve raised the policy rate by 25 basis points in both February and March in an environment where inflation was cooling, potentially indicating the end of the increasing cycle. The brief market turbulence that came after the SVB fiasco did not impede the optimism of investors, who drove stocks higher for the quarter with the tech sector having some of the strongest gains. The Fed also reassured investors of their confidence in the US banking system which resulted in the S&P500 increasing by 7.0% and the Nasdaq +16.8% over the quarter.

In Europe, the Eurozone experienced strong gains, headlined by the information technology, consumer discretionary, and communication services sectors. The financial sector faced a period of instability after the collapse of SVB, and a week later the Swiss authorities were forced to broker a deal for UBS to acquire troubled Credit Suisse. Despite these challenges, the eurozone financial industry recorded positive growth for the quarter, with Credit Suisse's issues considered to be under control. The FTSE increased by +2.4%, the CAC 13.1%, and the DAX by 12.3%.

In Australia, recent evidence has indicated that inflation has peaked in Australia, with the year-on-year inflation rate for February dropping to 6.8%. The housing market remains a key factor in inflationary pressures, which appears to have reached a state of stabilization with house prices increasing by only 0.6% in March. The labour market remains tight and is robust with the participation rate high and the unemployment rate sitting at 3.5%. Retail sales in February were up by 0.2%, however the overall trend is one of deceleration.

The ASX All Ordinaries posted +2.1% for the quarter, ASX 200 +2.0%, the Midcap 50 -1.2%, and the Small Ordinaries was +0.9%, respectively. The AUD struggled during the quarter, posting -1.9% against the US Dollar (66.9 US cents), -3.8% against the Pound (54.2 pence), and -3.2% against the Euro (61.7 cents).

PORTFOLIO BREAKDOWN

COUNTRY ALLOCATION	
America	67.6%
United Kingdom	14.3%
Australia	11.6%
Canada	2.4%
Netherlands	2.0%
Belgium	1.1%
Germany	1.0%

TOP HOLDINGS	
Microsoft Corporation	7.7%
Amazon.com Inc	7.2%
Interactive Brokers Group, Inc	6.3%
Alphabet Inc	6.2%
Meta Platforms Inc	5.6%
Apple Inc	5.6%
Adobe Inc	4.3%

OBJECTIVE

To outperform the MSCI World Index in AUD by 2-4% over a rolling 5-year time frame.

STRATEGY

High-conviction portfolio of quality growth companies sourced globally where peaceful microeconomic foundations provide the optimal conditions for the economics of business to drive superior, long-term investment returns.

BENCHMARK

MSCI World Index in AUD

MANAGER

ECP Asset Management Ltd

INCEPTION DATE

3 September 2020

MANAGEMENT FEE

1.0% p.a.

PERFORMANCE FEE

20.0% of the Outperformance of the benchmark.

INVESTOR ENQUIRIES

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INSIGHTS AND RESEARCH PARTNER

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