



ECP GLOBAL GROWTH FUND (AUST)

December 2024

CLASS A - NAV UNIT PRICE

31 December 2024	\$1.5833
30 September 2024	\$1.3361

PORTFOLIO PERFORMANCE

	3 m	6 m	1 Y	3 Y	INCEPTION
ECPGGF Portfolio [^]	18.7%	24.1%	38.9%	13.0%	16.9%
MSCI World Index in AUD	11.9%	14.6%	30.8%	12.2%	16.3%

[^] Source: ECP Asset Management.

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

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

0.7% p.a.

PERFORMANCE FEE

15.0% of the Outperformance of the benchmark.

APIR

ECP6796AU

INVESTOR ENQUIRIES

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MARKET COMMENTARY

US shares advanced following Donald's Trump's victory in the Presidential election, but other regional markets came under pressure amid worries over trade tariffs. Trump's victory in the US presidential election acted as a headwind for emerging market (EM) equities in the quarter.

In the US, equities made gains in Q4 to round out a strong year for the S&P 500 index, buoyed by expectations that Trump's policy programme will lift growth, lower taxes and cut regulation. In Q4, gains were led by the communication services, information technology and consumer discretionary sectors. The weakest sector was materials. The US economy remained strong with annualised GDP growth of 3.1% in Q3. The Federal Reserve (Fed) lowered interest rates by 25 basis points (bps) in both November and December but scaled back the number of interest cuts expected in 2025 due to persistently sticky inflation. The S&P 500 posted +2.1%, while the Nasdaq posted +6.2% over the quarter.

In Europe, shares declined in Q4 amid fears of recession. The weakest sectors for the quarter included materials, real estate and consumer staples. Sectors posting gains included industrials. The European Central Bank (ECB) cut interest rates by 25 basis points in both October and December and signaled more rate cuts in 2025. In the UK, equities fell over the quarter. Several domestically focused sectors declined amid a rise in long-term bond yields and growing concerns about the UK macro-economic outlook. While long-term bond yields rose in line with global trends as inflation expectations were revised upwards, their rise in the UK was exacerbated by concerns around the new UK government's fiscal policies unveiled in its Autumn Budget. Data indicated the economy shrank in October, being the second straight monthly contraction and revisions to past data revealed the economy had performed more poorly than expected with Q3 growth being revised to zero from 0.1% previously. The FTSE decreased by -0.8%, the CAC by -3.3%, while the DAX rose by +3.0% over the quarter.

In Australia, equities declined with the ASX All Ordinaries falling -1.4% for the quarter, ASX 200 -1.3%, and the Small Ordinaries -1.5%, respectively. The RBA left the cash rate unchanged at 4.35% in its December meeting. The policy statement was more dovish, noting that inflation is moving sustainably towards target. The Q3 gross domestic product (GDP) was another soft print at 0.3% quarter-on-quarter, well below consensus estimates. Weakness was mainly focused on private investment, which fell 0.6% in the quarter. The labour market remains resilient, with a 3.9% unemployment rate in November, the lowest level since March. Business and consumer sentiment indices however retreated further in November. The AUD depreciated during the quarter, posting -10.5% against the US Dollar (62 US cents) -4.5% against the Pound (49.5 pence) and -3.8% against the Euro (59.8 cents).

PORTFOLIO BREAKDOWN

COUNTRY ALLOCATION	
America	55.2%
United Kingdom	17.4%
Netherlands	8.5%
Australia	6.2%
Germany	5.0%
France	4.5%
Japan	1.9%
Canada	1.3%

TOP HOLDINGS	
Interactive Brokers Group, Inc.	6.0%
IDP Education Limited	5.8%
WISE PLC	5.0%
Adyen	4.9%
Block, Inc.	4.8%
ATOSS SOFTWARE SE INH O.N	4.8%
Meta Platforms, Inc.	4.7%
Salesforce, Inc	4.5%