

PORTFOLIO UPDATE

HNW Australian Equity Concentrated Portfolio

Monthly Report November 2024

- November was a strong month in global markets, with increases of +2% to +6%, boosted by Donald Trump's presidential election. This offset the losses seen in October when global markets fell between -1% and -3% as fear increased ahead of the US elections. Atlas holds several companies in the Portfolio with significant exposure to the USA; however, the demand for their non-discretionary goods and services produced by our companies is unlikely to change regardless of who sits in the Oval Office.
- The **HNW Australian Equity Concentrated Portfolio** gained by +2.7%, underperforming the ASX 200. The Portfolio had a solid November reporting season and positive AGM trading updates from companies held in the Portfolio. Four companies in the Portfolio declared dividends over the month (Amcor, ANZ, Macquarie and Incitec Pivot).

	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	12m rolling	Incept annual
HNW Equity Concentrated Portfolio	5.1%	3.1%	0.8%	3.6%	-4.5%	0.8%	-0.4%	3.0%	-0.7%	2.4%	-2.3%	2.7%	13.9%	6.2%
ASX 200TR	7.3%	1.2%	0.8%	3.3%	-2.9%	0.9%	1.0%	4.2%	0.5%	3.0%	-1.3%	3.8%	23.4%	11.4%
Active return	-2.2%	1.9%	0.0%	0.3%	-1.6%	-0.1%	-1.4%	-1.2%	-1.2%	-0.6%	-1.0%	-1.1%	-9.5%	-5.2%

Portfolio Objective

Investments within the Australian Equity portfolio is selected based on highest conviction. This November result in some GICs being over or underrepresented relative to the index.

Appropriate Investors

Accumulation for entities wanting higher conviction or that have more limited resources.

Portfolio Details

Benchmark	Not Aware
Number of Stocks	10-15
Asset Allocation	100% Equity
Inception Date	30 th October 2022
Security Target	within 5% of S&P ASX 200 weights

Performance Update

There was little stock-specific news in November, with global markets focused on the US election results. Since President Donald Trump was elected, US markets have rallied, driven by less competition for US business from higher tariffs and lower corporate taxes for US companies.

Domestically, the RBA kept interest rates at 4.35% for the 8th consecutive meeting, representing over a year since the last interest rate change. Over the month, oil and iron ore prices remained flat, whilst gold fell from all-time highs following the announcement of US election results.

Top Dividend Gross Yield end November 2024

Company	Yield
Commonwealth Bank	4.1%
Woodside	7.3%
ANZ Bank	6.9%
Ampol	6.2%
Transurban	5.0%

Estimated portfolio metrics for FY25

	ASX 200	HNW Con
PE (x) fwd.	18.1	13.8
Dividend yield (net)	3.5%	5.2%
Est Franking	67%	81%
Grossed Up Yield	4.6%	6.7%
Number of stocks	200	13
Avg mcap \$B	12	55
Beta (3mth rolling)	1.0	0.91

Source: Bloomberg & UBS

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HNW Australian Equity Concentrated Portfolio

November 2024

Portfolio Performance

In November, the **HNW Australian Equity Concentrated Portfolio** gained by +3.8%. The bank reporting season and trading updates across November have shown that the Portfolio is in a strong position heading into 2025.

Over the month, positions in QBE Insurance (+16%), Commonwealth Bank (+11%), Incitec Pivot (+6%), and Ampol (+4%) added value. On the negative side of the ledger, Mineral Resources (-15%), Whitehaven Coal (-3%), and CSL (-2%) detracted value.

Portfolio Trading

No significant trading was done over the month.

Performance Calculation Methodology

The following conventions have been adopted for calculating performance:

- Transaction expenses of 10bp are applied to Portfolio buy and sells. Transaction expenses are capitalised into the cost base. Rebalancing transactions incur transaction expenses.
- Cash-flow from dividends is credited on the ex-date rather than the pay date. Franking is not considered which is consistent with the calculation methodology of the benchmark. Cash-flow from dividends is assumed to be reinvested in issuer stock at the closing price on the ex-date.
- The Portfolio can participate in entitlement-based capital raisings, however, cannot participate in institutional raisings.
- The Portfolio must fund the required amount by the sale of the equivalent amount of equity. In the event of a subsequent scale-back the Portfolio will also record the pro-rata amount of script issued.
- Performance does not include consideration of taxation including capital gains tax.
- Performance numbers are presented on an unaudited basis