

The Eley Griffiths Group Mid Cap Fund – Class A (Fund) fell 0.83% in June, outperforming the 70% S&P/ASX Mid Cap 50 Accumulation/30% S&P/ASX Small Ordinaries Accumulation benchmark which finished down 1.38%. Since inception on 13th November 2023, the Fund has increased +15.4% after fees.

The trajectory of interest rates remains the focal point for investors globally. In the US, the market is still pricing at least one rate cut by the end of CY24, with confidence in that view firming given both inflation (CPI) and employment pressures (eg. unemployment rate, payrolls) appear to be moderating.

Notably, June saw the commencement of easing cycles by both the Canadian and European Central Banks, with the Swiss Central Bank cutting for a second time (the first was in March). Australia may well prove to be the outlier, with the market increasingly betting on a rate hike before the year is out. Time will tell.

Financials, Health Care and Information Technology were among the better performing sectors in June, but not enough to offset weakness elsewhere, particularly amongst Materials and Energy names.

On the corporate front, notable developments included uranium holding Paladin Energy (PDN; -21.7%) seeking to acquire Canadian aspirant Fission Uranium in an all-scrip deal. The Fund’s holding in Boral (BLD) was subsumed by parent Seven Group Holdings (SVW; -3.9%) during June also.

Once again, fund managers Pinnacle Investment Management (PNI; 7.6%) and GQG Partners (GQG; 8.0%) were among the top attributors for the month.

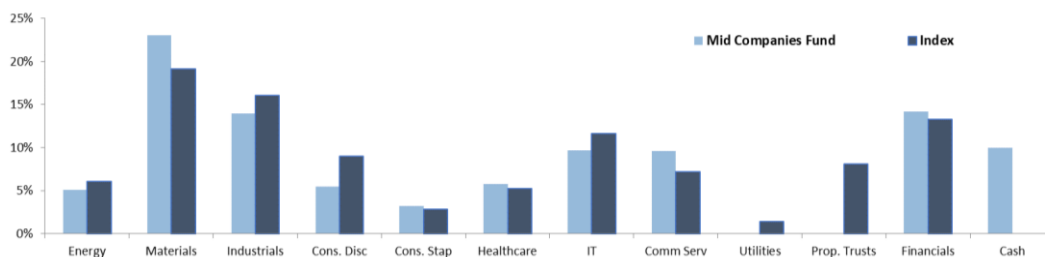
Commodity producers Genesis Minerals (gold), Mineral Resources (iron ore, lithium) and Lynas (rare earths) were the major detractors, albeit on little stock specific news flow.

The Fund has benefitted (by not owning) a litany of lithium and battery material-related names since its inception. We respect to lithium, whilst the correction appears particularly savage, the market (in our view) is still banking upon a price recovery in the near term. If that doesn’t eventuate, select lithium names may have further to fall.

Returns post fees	1 Month	3 Months	6 Months	1 year p.a.	Inception to date (Total)
EGG Mid Cap Fund – Class A	-0.83%	-1.29%	+6.61%		+15.42%
70% S&P/ASX Mid Cap 50 Accumulation 30% S&P/ASX Small Ordinaries Accumulation	-1.38%	-3.42%	+3.25%		+12.32%
Outperformance	+0.55%	+2.13%	+3.36%		+3.10%

^Fund inception 13 November 2023. Total net returns represent past performance only. Past performance is not a reliable indicator of future performance. Total returns (net) have been calculated using exit prices and take into account the applicable buy/sell spread and are net of management fees and assumes reinvestment of distributions. No allowance has been made for taxation or any fees charged by operators of master trusts or wrap accounts through which the products are offered. Returns of more than one year are annualised. Returns of the Fund can be volatile and in some periods may be negative. The return of capital is not guaranteed. Numbers may not sum due to rounding

FUND SECTOR ALLOCATION



STOCK ATTRIBUTION*

Code	Stock	Sector
Top 3 Contributors		
FPH	Fisher & Paykel Healthcare	Health Care
GQG	GQG Partners	Financials
PNI	Pinnacle	Financials
Bottom 3 Detractors		
GMD	Genesis Minerals	Materials
LYC	Lynas Rare Earths	Materials
MIN	Mineral Resources	Materials

TOP 5 ACTIVE POSITIONS*

Code	Stock	Sector
BRG	Breville Group	Consumer Discretionary
FPH	Fisher & Paykel Healthcare	Health Care
GMD	Genesis Minerals	Materials
PNI	Pinnacle	Financials
SVW	Seven Group Holdings	Industrials

* Alphabetical order as at 30 June 2024

ELEY GRIFFITHS GROUP

Founded in 2003, Eley Griffiths Group (“EGG”) is an Australian specialist investment management company. EGG is 100% owned by its staff and the investment team is heavily aligned with client outcomes.

Philosophy: EGG believes that markets do not always price small and mid cap companies efficiently and that these inefficiencies can be exploited using market experience and a disciplined stock selection methodology. The investment case for a stock can only be established through rigorous qualitative and quantitative analysis on a company-by-company basis and subject to several risk filters. The application of a proven investment process combined with active risk management is key to adding value through the market cycle.

Style: EGG is not constrained by traditional growth or value styles, believing an investment process and style needs to be flexible and adaptable to a dynamic global economy. Our portfolios are built from the “bottom up” and are based on forward-looking relative earnings growth subject to valuation and a qualitative overlay - an approach that ensures we are not anchored to any one *style* of investing. This approach aims to provide consistent outperformance through all market conditions, irrespective of the economic cycle and is generally known as style *neutral* or style *agnostic* investing.

FUND INFORMATION

Benchmark: 70% S&P/ASX Mid Cap 50 Accumulation Index and 30% S&P/ASX Small Ordinaries Accumulation Index

Number of stocks: 25-45

Universe: ASX & NZX listed stocks outside the S&P ASX 20

Fund Inception: 13 November 2023

Cash distributions or unit reinvestments: Annually

Management Fees and Cost: 1.05% of the NAV of the Fund inclusive of GST and RITC.

Fund size: \$39.8m

Unit Price: Daily

APIR Code: ETL1914AU

ARSN CODE: 667 460 639

Investment Enquires:

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ELEY GRIFFITHS GROUP MID CAP FUND – CLASS A

The Fund offers investors exposure to a diversified portfolio of Australian and New Zealand listed small and mid cap companies that reside outside the S&P ASX20 Index. The Fund is benchmarked against the 70% S&P/ASX Mid Cap 50 Accumulation Index and 30% S&P/ASX Small Ordinaries.

The team combines fundamental bottom-up research of companies with an in-depth qualitative assessment of their management and industry structure. Our proprietary investment process, known as SCOPE (Small Company Optimal Portfolio Evaluation), is a relative stock scoring tool that ranks stocks from highest to lowest based on their score. The portfolio comprises the best scoring stocks, subject to a number of risk constraints, such as maximum active position size and liquidity.

This fund is appropriate for investors with “High” and “Very High” risk and return profiles. A suitable investor for this fund is prepared to accept high risk in the pursuit of capital growth with a medium to long investment timeframe. Investors should refer to the [TMD](#) for further information.

LEAD PORTFOLIO MANAGERS



David Allingham David Allingham is a portfolio manager at EGG and has over 19 years’ experience analysing mid, small and emerging companies at EGG. Prior to joining EGG in 2004, David worked in marketing at EMI Music Australia. David holds a Bachelor of Commerce from the University of Sydney.

Tim Serjeant is a portfolio manager at EGG and has over 17 years’ experience analysing mid, small and emerging companies. Prior to joining EGG in July 2012, Tim was a Resources Analyst at Argonaut, a boutique investment bank and stockbroking firm. Tim holds Bachelor of Commerce (Honours in Finance) and Bachelor of Arts degree from the University of Western Australia.

PORTFOLIO MANAGERS

Ben Griffiths is the managing director and a portfolio manager at EGG and has around 40 years of financial markets experience. He co-founded EGG in 2003 with Brian Eley following a successful career as joint head of small companies at both BT Financial Group and ING Investment Management. Ben is a graduate of the Australian Institute of Company Directors and holds a Bachelor of Commerce from the University of NSW.

Nick Guidera is a portfolio manager at EGG with over 13 years of financial market experience. Nick joined Eley Griffiths Group in September 2016 after 6 years with stockbroker CLSA, in both analytical and research sales roles locally and in the US. Prior to financial markets, Nick spent 4 years as a practicing lawyer. Nick holds a Bachelor of Laws & Graduate Certificate of Legal Practice from University of Technology and a Master of Financial Management from the Macquarie Graduate School of Management.

Equity Trustees Limited (“Equity Trustees”) (ABN 46 004 031 298, AFSL 240975), is the Responsible Entity for the Eley Griffiths Group Mid Cap Fund – Class A (“the Fund”). Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT).

This report has been prepared by Eley Griffiths Group to provide you with general information only. In preparing this report, we did not take into account the investment objectives, financial situation or particular needs of any particular person. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. Neither Eley Griffiths Group, Equity Trustees nor any of its related parties, their employees or directors, provide and warranty of accuracy or reliability in relation to such information or accepts any liability to any person who relies on it. Past performance should not be taken as an indicator of future performance. You should obtain a copy of the Product Disclosure Statement (PDS) before making a decision about whether to invest in this product.

Eley Griffiths Group Mid Cap Fund – Class A PDS and Target Market Determination are available [here](#). A Target Market Determination is a document which is required to be made available from 5 October 2021. It describes who this financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed.