



MARKET COMMENTARY – Dec. 2023

Quarter-End Commentary – Q4 2023

Australian Shares Income SMA

The Australian Equity Income SMA delivered a positive return over Q4 2023, performing much in line with the underlying benchmark. Share selection within the Materials, Financials and Property sectors contributed positively to performance. Meanwhile, share selection within Industrials and Consumer Discretionary hampered relative performance further.

The following shares were the largest contributors for the quarter: James Hardie (+38.5%), Goodman Group (+18.7%), and Rio Tinto (+19.5%). Bapcor (-18.5%), Computershare (-6.1%), and Brambles (-5%) were the main detractors to relative performance over the quarter.

Our discipline is to seek such opportunities for stable profitability and balance sheet strength trading at reasonable valuations. We believe this approach serves us well both now and in a future in which markets are more discerning about interest rates and profits of their investments.