## Objective

The Model aims to outperform the Bloomberg AusBond Bank Bill Index +3%, after fees and costs, over rolling 7-year periods.

Fund Description

The Pekada Polaris Portfolio (the Model) is built and monitored using deep fundamental research on both asset allocation and fund manager selection. Asset allocation considerations include long term forecast returns for each asset class, as well as volatility and correlation. We then find exceptional managers that we believe work together to deliver on the Model's objectives. The composition of the Model will change from time to time, based on economic and market conditions, ongoing research, as well as a result of continuous monitoring of both current and potential fund managers.

Growth of $100,000 Total Return
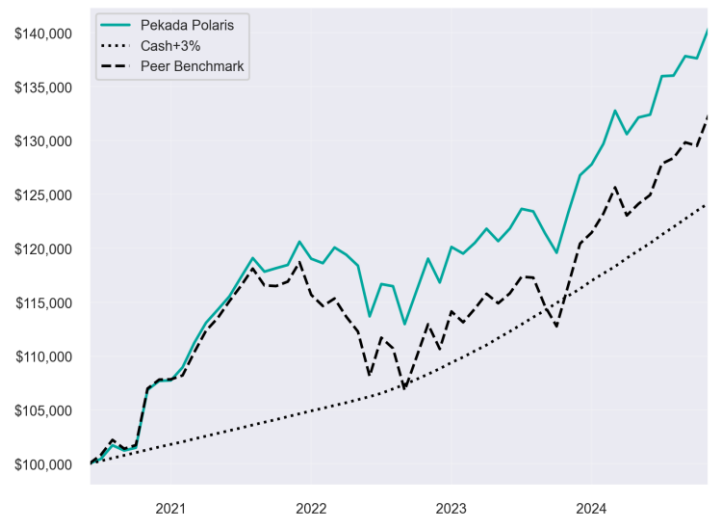
Performance to 30 November 2024	1 mth	1 yr	Inception p.a.#
Growth Performance	1.95%	9.13%	3.45%
Income Performance	0.07%	4.72%	4.54%
Total Return	**2.02%**	**13.85%**	**7.99%**
AMI Peer Benchmark * - Total Return	2.20%	13.52%	6.55%
Outperformance to peers	-0.18%	0.33%	1.44%

Performance vs Volatility
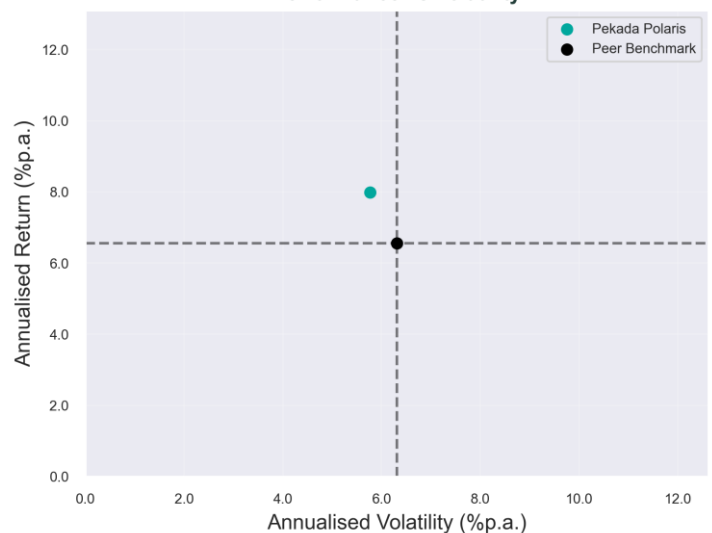
Past performance is not a reliable indicator of future performance.
Returns of the portfolio are calculated net of applicable investment manager fees and model management fees. Returns may not match your actual return. Portfolio inception date is 03/06/2020, with simulated performance up until the launch date of 03/05/2023, where all performance is live after this date.
Above performance charts use data since inception.
Data Source: FE fundinfo

FE fundinfo

Portfolio Composition

FUND WEIGHTINGS

Below are the target holding weights of Funds within the Model as at 30/11/2024. Note: these weights may differ to live weights due to market movement.

Alternatives

Ironbark GCM Global Macro Fund	2.00%

Alternatives - Equities

L1 Capital Long Short Fund	4.00%
Ruffer Total Return International Fund	4.00%

Australian Credit

Alexander Credit Income Fund	5.00%
Realm High Income Fund	6.00%

Australian Equities

Ausbil Australian Active Equity Fund	5.00%
DNR Capital Australian Equities High Conviction Fund	5.00%
Perpetual SHARE - PLUS Long/Short Fund	1.50%
Vanguard Australian Shares Index Fund	7.00%

Australian Fixed Interest

Vanguard Australian Fixed Interest Index Fund	10.00%

Diversified Credit

Perpetual Diversified Income Fund	7.00%

Global Credit

Bentham Global Income Fund	3.00%

Global Equities

Nanuk New World Fund	5.00%
Realindex Global Share Value Fund	6.50%
Vanguard International Shares Index Fund	11.00%

Global Fixed Interest

Vanguard International Fixed Interest Index Fund (Hedged)	9.00%

Global Infrastructure

ClearBridge RARE Infrastructure Value Fund (Hedged)	4.00%

Global REITs

Resolution Capital Global Property Securities Fund	4.00%

Cash

Platform Cash	1.00%

FUND & ASSET CLASS ATTRIBUTION

The below attribution measures break down the total performance of the Model, showing the best and worst contributors and their exact contribution.

Top 3 Fund Contributors	1 Month
Vanguard International Shares Index Fund	0.57%
Vanguard Australian Shares Index Fund	0.26%
Realindex Global Share Value Fund	0.22%

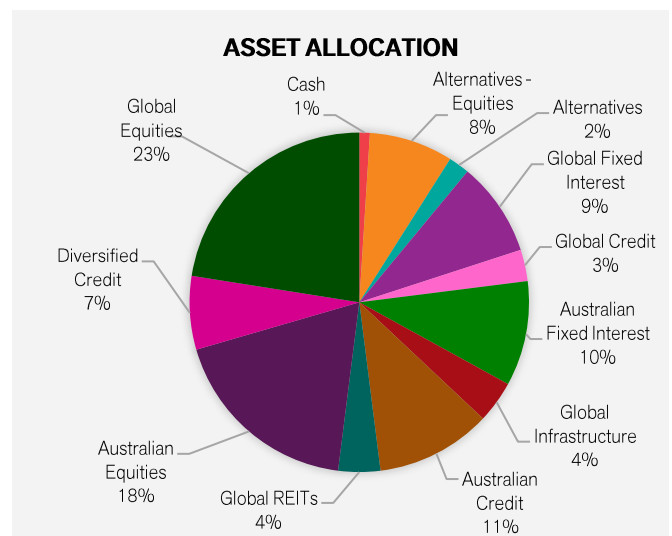| Bottom 3 Fund Detractors	1 Month
L1 Capital Long Short Fund	-0.11%
Ironbark GCM Global Macro Fund	-0.02%
Ruffer Total Return International Fund	0.00%

Asset Class Contributors	1 Month
Global Equities	0.88%
Australian Equities	0.69%

Asset Class Detractors	1 Month
Alternatives - Equities	-0.12%
Alternatives	-0.02%

ASSET ALLOCATION

Cash 1%
Alternatives - Equities 8%
Alternatives 2%
Global Fixed Interest 9%
Global Credit 3%
Australian Fixed Interest 10%
Global Infrastructure 4%
Australian Credit 11%
Global REITs 4%
Australian Equities 18%
Diversified Credit 7%
Global Equities 23%

Market Commentary

The last month saw strong performances from most asset classes as markets responded positively to the return of Donald Trump to the US presidency. The election passing without controversy also buoyed risk sentiment seeing most equities perform well over the course of the month, hitting new record highs.

Global Equities were the best performing asset class, rising 5.22%, with US equities leading the way. Australian equities also performed strongly, rising 3.79% as they retraced the losses of the previous month. Interest rate linked assets like global property and infrastructure, also had a good month despite a weak start.

The main exception to the broad move higher in equities was Emerging Markets which fell just over 3%. This move was on the back of worries that a stronger US dollar under Trump would negatively impact these companies.

Australian and Global bonds saw a volatile month on the back of the moves in bond yields to eventually see them posting returns of more than 1% for the month. Credit assets continued to perform well on the back of the higher yields now on offer although the shorter dated nature of these assets saw them lag the performance of longer dated government bonds.

Portfolio Commentary

The Model returned +2.02% in November, underperforming the peer group benchmark by -0.18%. It was a difficult period for the Model, with market performance being dominated by the theme of 'US exceptionalism', which hurt the more valuation aware managers. The Model's Alternative exposures were also challenged.

Australian Equities saw a strong bounce in November, recovering from a challenging October. The Model's underlying managers delivered returns slightly below the index, as market momentum continued to reward "growth at any price". Pleasingly, the Perpetual SHARE-PLUS Long/Short Fund (+5.03%) outperformed as it continued to benefit from several of its strongest contributors in October continuing to rally including HMC Capital, Flutter Entertainment (one of the Fund's international holdings), and Sigma Healthcare.

At an asset class level, global small caps were additive to Model returns. With certainty around Trump securing the White House, small cap equities rallied off the back of his expected pro-growth agenda. The VanEck MSCI International Small Companies Quality ETF (+6.78%) lagged the broader index, but still delivered the strongest absolute returns in the Model. This allocation was also helped by its high exposure to the USD, which strengthened relative to most major currencies, including the Australian dollar.

Global equities also performed strongly, driven by similar forces as global small caps. Relative performance of the underlying Model managers was a bit weaker however, with all underperforming the broader index. Markets continue to be concentrated around the 'US exceptionalism' theme with the Financials and Energy sectors benefitting from the prospect of de-regulation, two sectors the Model is underweight, particularly in the Nanuk New World Fund (+1.65%).

Among the Model's defensive assets, both credit and duration were additive in an absolute sense. The Bentham Global Income Fund (+1.25%) delivered the greatest outperformance among defensive assets, outperforming its respective benchmark by over 80bps. The Model's Australian and diversified credit managers also delivered alpha, relative to their respective benchmarks.