

Total returns[†]

At 31 Jan 2025	1 Mth %	3 Mths %	1 Yr %	3 Yrs % p.a.	5 Yrs % p.a.	10 Yrs % p.a.	Incep % p.a. (Dec 2000)
OC Dynamic Equity Fund	3.9	1.9	13.9	9.1	9.3	11.2	11.9
S&P/ASX Small Ordinaries Accumulation	4.6	2.7	12.3	3.1	4.3	7.7	5.9
Outperformance	(0.7)	(0.8)	1.6	6.0	5.0	3.6	6.0
S&P/ASX Small Industrials Accumulation	3.3	4.0	13.6	3.8	3.1	7.1	6.1
Outperformance	0.6	(2.1)	0.3	5.3	6.1	4.1	5.8

Performance review

The early days of Trump presidency 2.0 have been predictably eventful with a flurry of executive orders following the inauguration, speculation around the impost of tariffs, and the news around Chinese artificial intelligence start-up DeepSeek creating a volatile market back-drop. The OC Dynamic Equities Fund finished the month up +3.9%, behind the S&P/ASX Small Ordinaries Accumulation Index which rose +4.6%, but marginally ahead of the S&P/ASX Small Industrials Accumulation Index which was up +3.3% for the month.

In stock news, **Ingenia Communities Group (INA, +25.6%)**, a property group that owns, operates and develops a portfolio of lifestyle and holiday communities across key urban and coastal markets, upgraded its FY25 guidance with productivity improvements being the key driver. **Austal Limited (ASB, +23.6%)** has been a key share market beneficiary of Trump's return. The shipbuilder was awarded a US\$450 million contract by General Dynamics Electric Boat in September 2024 to enable Austal USA to expand production capacity at its US shipyard in support of the US Navy Submarine Industrial Base and the Trump administration is seen as likely to be highly supportive of defence contractors. On the negative side of the ledger, prestige and luxury automotive dealer **Autosports Group (ASG, -3.7%)** flagged challenging conditions into the end of CY24 with new vehicle revenues under pressure. Management have revised downwards its profit forecasts for the first half of FY25 and expect these conditions to continue into early CY25.

Outlook

In recent days the market has gyrated around the proposed US trade policies, due to a lack of clarity as to whether Trump is using tariffs as a negotiating tool rather than a key economic priority. Markets snapped back after Trump agreed to delay tariffs on Canada and Mexico following negotiations with their leaders. Trump has said he plans to speak with Chinese President Xi Jinping "probably over the next 24 hours", raising the prospect of a deal still being brokered between the world's two largest economies.

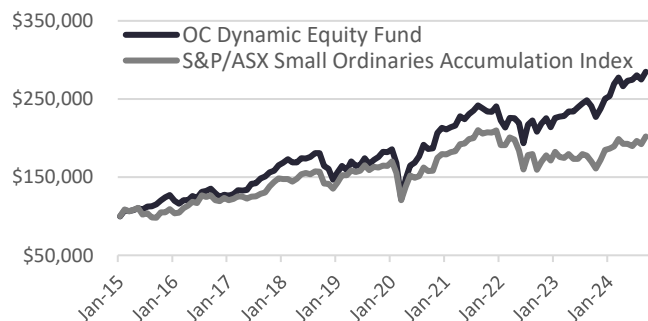
China's breakthrough foray into artificial intelligence (AI) has been no less disruptive to financial markets with DeepSeek, a relatively unknown Chinese AI startup, releasing an AI model that rivals Open AI's GPT-4 but was reportedly trained with a fraction of the computational power. If validated, it could have material implications for the amount of computing power needed to power the AI revolution. While this would likely be a negative for tech behemoths such as Nvidia, it could ultimately

increase global productivity by reducing costs and accelerate broad-based access to AI as further cost and efficiency gains are made in frontier AI models.

From an economic perspective Trump re-enters the Presidency with a US economy that has been the best performing among major developed markets, underpinned by a resilient consumer, a buoyant corporate sector, a strong labour market and inflation that is moderating. We continue to believe that the Trump administration will implement pro-business policies favouring deregulation and tax reductions, which are expected to particularly benefit the profitability of small and mid-cap firms with US exposure. We have therefore increased our exposure to the US consumer.

On the domestic front, inflation is moderating with core inflation, or the trimmed mean, slowing to an annual rate of 3.2% in December. But the domestic labour market remains remarkably resilient, with unemployment at 4.0% in December. The RBA's mid-February rate decision remains line-ball, although money markets are now heavily pricing in that the rate cutting cycle will kick-off in just under a fortnight. The February reporting season will be an excellent gauge of the health of corporate Australia and we look forward to reporting back on it in March.

Performance Comparison of \$100,000 over 10 yrs*



Top 5 holdings[#]

Company	ASX Code
GQG Partners Inc.	GQG
HMC Capital Limited	HMC
Pinnacle Investment Management Group Limited	PNI
SGH Limited	SGH
Telix Pharmaceuticals Limited	TLX

[#]The top 5 portfolio holdings are in alphabetical order and may not be representative of current or future investments.

Key Facts

Fund Overview

The Fund is a long-only, benchmark-unaware unit trust. It primarily invests in 30 to 50 quality small to medium-sized Australian companies with sustainable business models, quality management and attractive investment fundamentals that are listed, or about to list, on the ASX. The Fund can also invest up to 20% of total capital in either smaller emerging leaders businesses (\$50 million to \$350 million market capitalisation) and/or event-driven positions (companies expected to benefit from an upcoming catalyst or undergoing a positive change).

Responsible entity

Copia Investment Partners

Inception date

December 2000

Benchmark

S&P/ASX Small Ordinaries Accumulation Index

Investment time frame

At least 5 years

Minimum investment

Initial: \$20,000

Additional: \$5,000

Distribution

Yearly

Management fee

1.72% p.a. (including GST net of RITC)

Performance fee

20.5% (including GST net of RITC) of the amount of excess performance in any financial year, subject to a high-water mark.

Performance hurdle

The greater of the net asset value of the Fund at the beginning of the year plus 15% p.a., or the high-water mark.

High-water mark

Yes

Typical Investment Exposure

Cash	0%-20%
Equities	80%-100%
Including:	
S&P/ASX 100 Constituents	0%-20%

Platforms

BT Panorama | HUB24 | Insignia (Expand) | Xplore (Linear) | Macquarie | MLC/Navigator | Netwealth | Powerwrap | Praemium | Mason Stevens



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*The total return performance figures quoted are historical, calculated using end-of-month hard-close mid-prices and do not allow for the effects of income tax or inflation. Total returns assume the reinvestment of all distributions. The performance is quoted net of all fees and expenses. The index does not incur these costs. This information is provided for general comparative purposes. * The performance comparison of \$100,000 over 10 years is for illustrative purposes only. All returns shown are based on Australian dollar figures. Past performance is not a reliable indicator of future performance. The total returns shown are prepared on an ongoing basis (i.e. they include all ongoing fees and expenses and assume reinvestment of all distributions). They do not take personal taxation into account. The comparison with the S&P/ASX Small Ordinaries Accumulation Index is for comparative purposes only. Index returns do not allow for transactional, management, operational or tax costs. An index is not managed and investors cannot invest directly in an index.

Past performance is not a reliable indicator of future performance. Positive returns, which the OC Dynamic Equity Fund (the Fund) is designed to provide, are different regarding risk and investment profile to index returns. This document is for general information purposes only and does not take into account the specific investment objectives, financial situation or particular needs of any specific reader. As such, before acting on any information contained in this article, readers should consider the appropriateness of the information to their needs. This may involve seeking advice from a qualified financial adviser. Copia Investment Partners Ltd (AFSL 229316, ABN 22 092 872 056) (Copia) is the issuer of the OC Dynamic Equity Fund (ARSN 098 644 681). A current PDS is available from Copia located at Level 47, 80 Collins Street (North Tower), Melbourne VIC 3000, by visiting ocfunds.copiapartners.com.au or by calling 1800 442 129 (free call). A person should consider the PDS before deciding whether to acquire or continue to hold an interest in the Fund. Any opinions or recommendation contained in this document are subject to change without notice and Copia is under no obligation to update or keep any information contained in this document current.

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