OC Dynamic Equity Fund

Fund Update | 30 April 2025

Total returns†

At 30 Apr 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	0.1	(14.2)	(6.9)	3.2	10.9	8.7	11.1
S&P/ASX Small Ordinaries Accumulation	1.8	(4.6)	3.7	0.3	7.7	6.3	5.6
Outperformance	**(1.7)**	**(9.6)**	**(10.6)**	**2.9**	**3.2**	**2.4**	**5.5**
S&P/ASX Small Industrials Accumulation	1.9	(7.2)	3.2	1.7	6.4	5.6	5.7
Outperformance	**(1.8)**	**(7.0)**	**(10.0)**	**1.5**	**4.5**	**3.1**	**5.4**

Performance review

The Australian equity market experienced heightened volatility in April with the S&P/ASX 200 Index plunging more than 6% intra-day on April 7 amid escalating US-China trade tensions, before rebounding later in the month on hopes of more palatable trade deals and expectations of further rate cuts from the RBA following a benign inflation print. The OC Dynamic Equity Fund eked out a +0.1% gain for April which was behind both the S&P/ASX Small Ordinaries Accumulation Index and the S&P/ASX Small Industrials Accumulation Index which were up +1.8% and +1.9%, respectively, for the month.

Telecommunications and internet services provider **Superloop Limited (SLC, +18.5%)** was the best performing stock in the portfolio in April as investors gravitated towards quality domestically exposed businesses with low earnings risk given the uncertain global macroeconomic backdrop. **Region Group (RGN, +12.1%)**, an Australian real estate investment trust (REIT) that owns and manages a portfolio of convenience-based retail properties across the country, also rallied in April with the company's defensive earnings profile and expectations of interest rate cuts (following a drop in core inflation in Australia to 2.9%) the likely catalyst. Diversified alternative asset manager **HMC Capital (HMC, -22.0%)** was the key detractor for the month with uncertainty surrounding private hospital operator Healthscope continuing to plague its listed vehicle **Healthco Health and Wellness REIT (HCW, -5.1%)**, and negative sentiment towards the datacentre space continuing to weigh on **DigiCo Infrastructure REIT (DGT, -10.3%)**. HMC is rebounding from oversold levels in early May.

Outlook

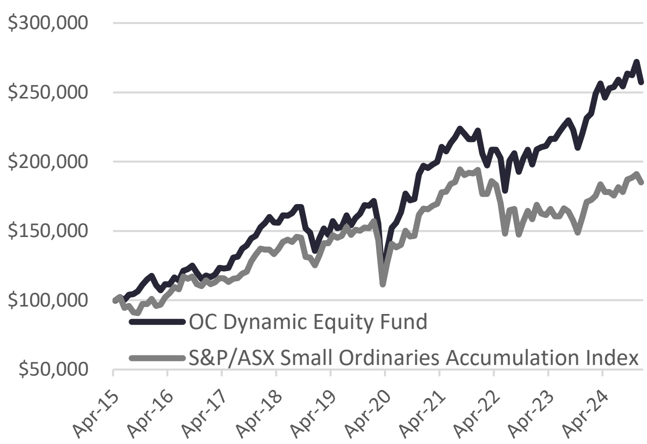
Market sentiment continues to be dominated by machinations around trade negotiations, particularly between the US and China. The Trump administration's aggressive tariffs have sparked widespread retaliation and disrupted supply chains. In the US, consumer sentiment has plummeted, job growth is moderating, and recession fears are intensifying, which has prompted Trump to pause most new tariffs - except those on China - for 90 days so that countries can negotiate on trading terms.

There is growing evidence of a slowdown in both the US and Chinese economies. Global shipping data suggests there has been a material fall in trade between the two countries and economic indicators in both countries have deteriorated including a negative GDP print in the US, and a contraction of manufacturing activity in China. The economic consequences of the new trade war still hinge on several unknown factors including the eventual size and scope of the tariffs, their duration, and any reductions through diplomatic negotiations. Pleasingly, the market has rebounded in the past fortnight on news that meaningful progress is being made on trade deals.

Domestic economic activity is not yet showing signs of a material slowdown. That said, consumer sentiment has declined and with core inflation printing within the RBA's target range of 2-3% for the first time since late 2021, we are likely to see the RBA cut rates again later this month.

Given the heightened global macro risks, we have increased the portfolios exposure to domestically focussed businesses that are not exposed to a US/China trade war. These companies ought to have more resilient earnings in the event of a global slowdown.

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	PNI
Telix Pharmaceuticals Limited	TLX
Ventia Services Group Limited	VNT

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 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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