

### Key Features

Name	Alpha Balanced Fund
APIR Code	ETL4308AU
Inception Date	30 December 2021
Benchmark	Morningstar AUS Balanced Target Allocation NR \$A
Peer Group	Australia Fund Multisector Balanced
Mgmt Costs	0.69% p.a.
Buy/Sell Spread	0.25% / 0.25%
Platforms	PlatformplusWRAP
Fund Size	\$1.9m

### Monthly Commentary

The Alpha Balanced Fund delivered a total return of 0.44% (net of fees) in June 2023, which was below the Morningstar Australian Balanced Target Allocation Index by -0.43% and below the Peer Group Median by -0.46%.

The decision to favour International/US Shares over Australian Shares made a positive contribution. The major contributor was the overweight positions in US Technology shares including Apple, NVIDIA, Meta Platforms and Amazon. The US Technology sector has rallied throughout 2023 and remains the key overweight position in the Fund, and we believe the long-term earnings growth potential of Artificial Intelligence, semiconductors and robotics remains attractive.

Within Australian shares, the main positives were positions in miners, including BHP and Rio Tinto. Australian Resources companies continue benefit from a higher inflation environment and their share prices rose in June despite a softer Chinese economy.

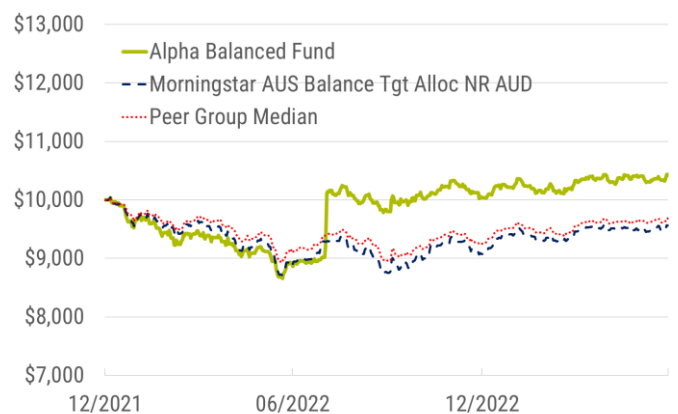
The Fund's exposure to gold miners, Gold Road Resources and Northern Star Resources, and to a weaker \$US, detracted from performance, as investors adopted a more positive mindset in June and moved away from positions in more defensive assets.

For the Fund's exposure to Fixed Income, we favoured Australian/US bonds which also detracted from performance for the month. Australian bond prices fell as a result of the RBA's unexpected 0.25% interest rate increases in May and June.

The main changes to the Fund implemented over the month were increasing the exposure to Large US Technology shares (inc. Apple, Amazon & NVIDIA). In Australia reducing the exposure to large Australian Resources shares (inc. BHP & Rio Tinto) and Australian Banks (inc. ANZ, Westpac and NAB). Also, we further diversified the portfolio adding some smaller companies with attractive growth outlooks and/or superior valuations (inc. Corporate Travel Management, NIB, Netwealth & Perpetual).

While the Fund remains overweight to International Shares, we have a cautious mindset due to the higher risk of an economic recession over the next 12 months. As a consequence, we preference higher quality businesses which are less sensitive to economic weakness and sectors with more sustainable long-term growth profiles such as Technology and Healthcare. In Fixed Interest, the Fund has exposure to longer-dated Australian and US bonds which will outperform if the economy slows.

### Performance

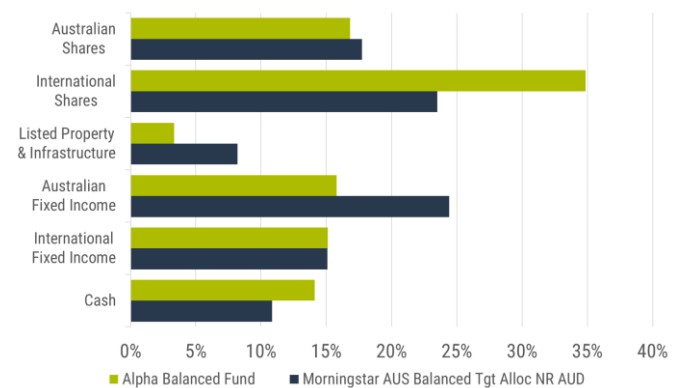


Portfolio Performance	1mth	3mth	6mth	1yr	Inception
Alpha Balanced Fund	0.44%	1.01%	3.99%	17.77%	3.90%
Benchmark	0.87%	1.14%	5.41%	7.57%	-4.59%
Peer Group Median	0.90%	1.34%	5.00%	7.06%	-3.23%

**Disclaimer:** Net performance figures are shown after all fees and expenses, assuming reinvestment of distributions. Past performance is not an indicator of future performance. Returns for periods 1 year or greater are calculated on an annualised basis.

**Peer Group Median:** Morningstar Category: Australian Multisector – Balanced  
**Source:** Morningstar Direct (to 30 June 2023)

### Asset Class Exposures



### Top 10 Holdings

Security	Ticker	Country	Weight
BHP Group	BHP	Australia	3.0%
Microsoft Corp	MSFT	United States	1.5%
Commonwealth Bank of Australia	CBA	Australia	1.1%
Apple	AAPL	United States	1.1%
CSL	CSL	Australia	1.1%
Alphabet	GOOGL	United States	1.0%
Wesfarmers	WES	Australia	0.9%
Meta Platforms	META	United States	0.9%
Merck & Co	MRK	United States	0.8%
Brambles	BXB	Australia	0.8%

Your financial adviser will take the time to discuss this report with you and answer any questions you may have.