



Value of AUD 100 since inception - Inception Date: 15 July 2011. Returns over 1 year are pa annualised

Delft Partners Global High Conviction is a global listed **value** equity strategy.

We select the best 30 stocks from the holdings in our diversified Global Equity strategy

- We invest in all major markets and sectors to capture diversification benefits.
- Position sizes are based on risk and return estimates.
- We do not invest in companies where we believe poor Governance is likely to penalise shareholders.
- **We have a value bias and measure our value added by comparing our returns to a value index.**

Benefits

- Capital appreciation and dividends from attractively valued stocks
- Expected preservation of purchasing power against persistent inflation.
- Above market and peer group performance

For additional information please visit www.delftpartners.com

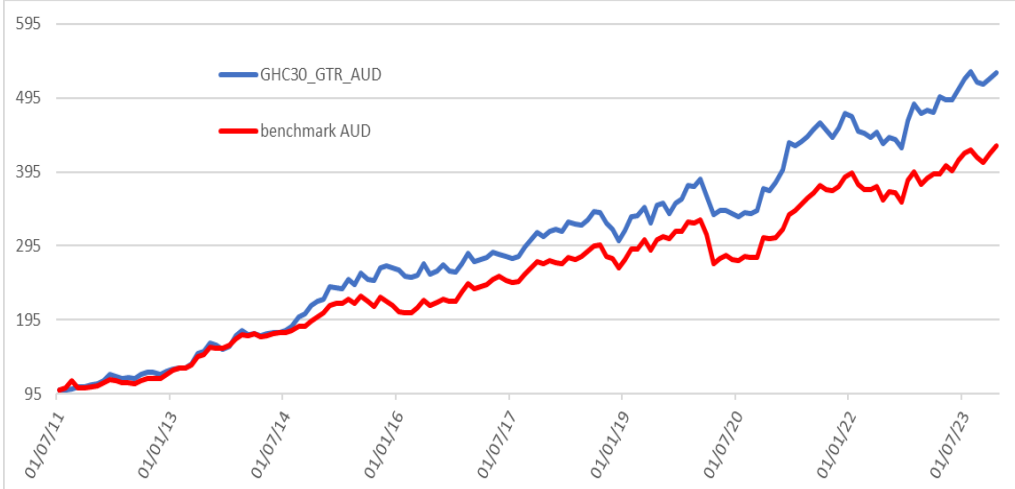
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29 Dec 2023	Portfolio
No. of securities	30
Wtd Avg Market cap	US\$ 91.4bn
Price/Earnings	11.5x
Price/Book	4.6x
Dividend Yield	2.8%
Price/Sales	2.4x
Active Risk (vs Bmk)	5.1%
VMQ Score (Portfolio/Universe)	82/50



Periods ended 29 Dec 2023	1 Month	3 Months	1 Year	3 Years	Inception
Portfolio*	1.6%	2.4%	11.5%	15.0%	14.5%
Return vs. Benchmark	-0.8%	-1.1%	-1.9%	0.5%	1.7%

*Portfolio total return net Interest Withholding Tax in AUD, gross of fees. Based on a live portfolio managed by that represents an expectation of returns. The returns will differ per account due to execution timing differences, account size and minimum lot constraints. This sheet provides general information only. Intended for wholesale professional investors in Australia only, and is not a recommendation for a product. Delft Partners operates as owner of API Capital Advisory P/L AFSL 329133

PORTFOLIO REVIEW & MARKET UPDATE

- World markets rose strongly in the last 2 months of the 4th quarter. Investors jumped on words from Jay Powell which seemingly indicated interest rate cuts are imminent. Everything was well bid—equities, bonds, Alts, Crypto—“party like it’s 1999”? Just remember what happened after 1999. In 2 months c.US\$20 trillion was added to the value of world bond and equity markets.
- The data do not indicate a weakening US economy so the statement appears strange unless something is worrying the Fed which markets do not wish to address, or do not yet see?
- Europe’s economy IS weak and we would expect the ECB to cut rates given half a chance. Inflation there is further from the peak than it is in the USA. Note that in neither place will prices likely fall. Stubbornly high prices for goods and services will crimp consumer spending already constrained by mortgage debt loads.
- Despite China’s economic problems, it is interesting to note the resilience of the commodity complex. Iron Ore prices rose strongly although oil made little headway in the quarter.
- We remain underweight Europe which hurt performance. We recommend investors look at the Russell 2000, or an equal weighted S&P500, as attractive options to the cap weighted index. This will provide a value bias which we currently recommend as a source of equity diversification.
- During the year and quarter we made more trades than typical as the elevated cross sectional volatility provided more opportunities on a relative basis.
- For sector and country weightings please visit our website. <https://www.delftpartners.com/actively-managed-strategies.html>