



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 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 moderate value bias preferring to pay less for future earnings and dividends if we can identify a catalyst for a re-rating.

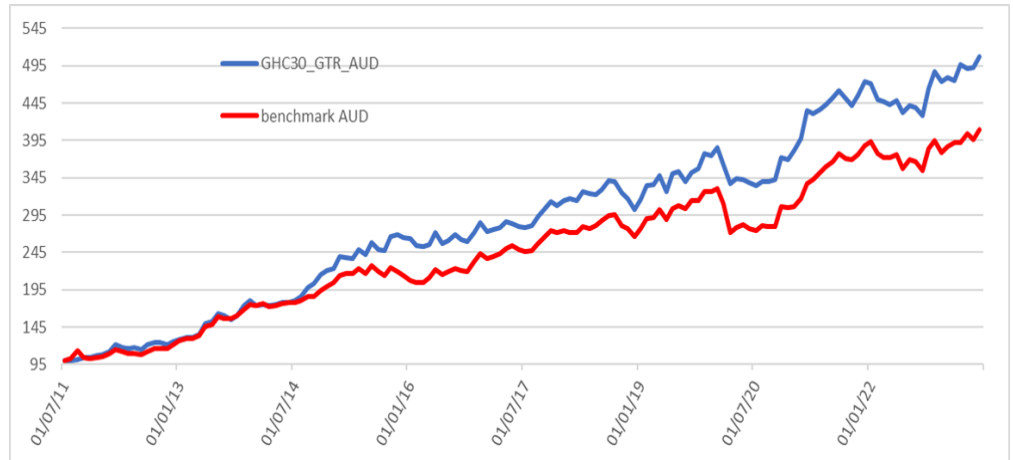
### Benefits

- Capital appreciation and dividends from attractively valued stocks
- Consistent application of a proven investment process
- Above market and peer group performance

For additional information please visit [www.delftpartners.com](http://www.delftpartners.com)

30 June 2023	Portfolio
No. of securities	30
Wtd Avg Market cap	US\$ 56.9bn
Price/Earnings	13.8x
Price/Book	4.4x
Dividend Yield	3.0%
Price/Sales	2.0x
Active Risk (vs Bmk)	5.2%
ESG Score* (Portfolio/Universe)	68/ 50

\* Source: CIQ ,  
Tile images <https://www.antiquetileshop.com>



Periods ended	1 Month	3 Months	1 Year	3 Years	Inception
30 June 2023					
Portfolio*	2.9%	2.0%	17.3%	14.4%	14.6%
Return vs. Benchmark	-0.5%	-2.3%	2.2%	0.4%	1.8%

\*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 continued to rise in q2. Growth style outperformed Value. The GHC30 underperformed in the quarter but has outperformed its value benchmark in longer time periods, aided by an underweight in banks, and an overweight position in Japan, about which we have been very positive for a while.
- The strategy rose 2.1% in A\$ in the quarter.
- Official interest rates have been steadily increased and we anticipate more to come. Inflation remains well above interest rates in almost all major economies. We have been caught out by unexpected strength in economic activity and job market buoyancy.
- Our economic advisers model activity and potential growth rates as falling. Equity EPS will be revised down. Simple supply demand mechanics show us heading to stagflation. In this scenario P/E ratios get compressed along with EPS downgrades.
- Longer term returns for equity holders are being compromised by poor macro policy although interestingly Doug McWilliam s has been asked by ex British Prime Minister Liz Truss to chair a “Growth Commission” investigating the causes of sluggish growth internationally. For an interesting initial purview please see attached url.
- <https://www.adamsmith.org/blog/flnnop052906rijgb5bxro2wvp2ju3>
- We made no changes during the quarter. We remain unhedged for Australian investors.
- For sector and country weightings please visit our website. <https://www.delftpartners.com/actively-managed-strategies.html>