

## Key facts

### Income versus growth target



### Market cap bias



### Investment strategy

A portfolio of ASX-listed equities designed for long-term capital growth and some tax-effective income

### Investment objective

Outperform index by over 3% p.a.

### Benchmark index

S&P/ASX 100 Accumulation Index

### Portfolio Manager

Will Riggall

### Inception date

February 2008

### Management fee

0.75% p.a. (may vary across platforms)

### Number of stocks

25-35

### Key platforms

Brightday, Linear, OneVue, Praemium

## Performance (% returns greater than one year are p.a.)<sup>1</sup>

At month end	1 mth	3 mth	1 yr	2 yr	3 yr	5 yr	10 yr	Inception
Ralton	6.05%	6.44%	5.16%	4.96%	9.33%	9.22%	8.38%	7.31%
Income	0.18%	0.88%	3.74%	3.63%	3.82%	3.70%	3.91%	4.28%
Growth	5.87%	5.57%	1.42%	1.33%	5.51%	5.52%	4.47%	3.03%
Index <sup>2</sup>	7.21%	8.35%	12.65%	6.47%	10.07%	10.77%	8.16%	6.68%
Outperformance	-1.16%	-1.90%	-7.49%	-1.51%	-0.74%	-1.55%	0.23%	0.63%

<sup>1</sup> Performance is based on a model portfolio and is gross of investment management and administration fees, but net of transaction costs. Total returns assume the reinvestment of all portfolio income.

<sup>2</sup> Index means the S&P/ASX 100 Accumulation Index.

## Portfolio Performance

The Ralton Leaders Portfolio underperformed the ASX100 Index in December, returning 6.05%, versus the index return of 7.21%. A focus on investing in companies with strong competitive advantages and valuation support has held the portfolio in good stead during an extended period of volatility.

Contributors	Comment
<b>Commonwealth Bank of Australia (CBA)</b> 6.8%	CBA performed well in December as investor sentiment improved during the quarter, with the global market rallying into the Christmas period. CBA maintained margins across its loan books more effectively than its peers, and is well positioned to take advantage of consumer and business activities returning to growth in 2024.
<b>Northern Star Resources Ltd (NST)</b> 7.2%	Continued strength in the price of gold above USD 2000 per ounce during December moved the NST share price higher. We took advantage of the favourable price momentum to exit NST with proceeds going to Newmont Corporation (NEM.ASX) to take advantage of a superior franked quarterly dividend yield and provide exposure to NEM's high quality, global tier-1 jurisdiction operations.
<b>Rio Tinto Limited (RIO)</b> 8.5%	RIO has continued to perform strongly, driven by sustained strength in the iron ore price above USD 130 per tonne. An improving view of China's economic conditions in 2024, tight iron ore inventory and higher than expected steel mill production rates have aided the price of iron ore. We see value in RIO as a diversified and high quality miner with attractive upside to earnings.
Detractors	Comment
<b>Woodside Energy Group Ltd (WDS)</b> 0.2%	Weakness in the price of oil during the month moved WDS lower, as oversupply concerns pushed supply expectations higher. It was also announced that WDS is in discussions to potentially merge with Santos Limited (STO.ASX), a move which would create a combined company with a AUD 80 billion market capitalisation. Investors will need to wait for further information to be released regarding the potential merger.

## Portfolio Activity

### BUY

#### Newmont Corporation Registered Shs Chess Depositary Interests Repr 1 Sh (NEM)

NEM, a globally diversified gold miner, recently dual-listed after acquiring Newcrest Mining. With robust gold and copper production growth, strategic divestitures of non-core assets, and a leading quarterly dividend yield, NEM is an attractive replacement for NST in the portfolio.

### SELL

#### Northern Star Resources Ltd (NST)

NST has been a strong performer for the portfolio with gold remaining a key commodity overweight position. However, due to NST's unfavourable tax position leading to unfranked distributions in 2024, it will be replaced by NEM. NEM not only provides a more robust quarterly dividend yield but is also our preferred gold exposure, driven by our positive outlook on its production growth profile and intensified focus on tier-1 jurisdiction opportunities.

#### GPT Group (GPT)

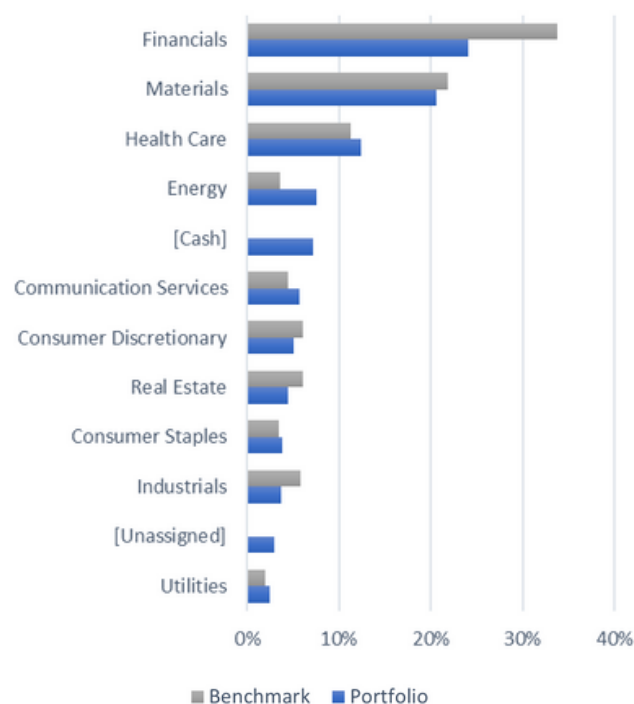
Australian real estate investment trusts (AREITs) rallied during November as investor sentiment shifted to expect rate cuts in 2024. Following a strong rally in the GPT share price, we decided to trim the top off the GPT position to manage the position size and redeploy the cash into other investments.

## Top 10 holdings (alphabetical)

ANZ Group Holdings Limited  
BHP Group Ltd  
Coles Group Ltd.  
Commonwealth Bank of Australia  
CSL Limited

Macquarie Group, Ltd.  
Mineral Resources Limited  
National Australia Bank Limited  
Telstra Group Limited  
Woodside Energy Group Ltd

## Sector Positioning



## Portfolio metrics\*

	Ralton	XTOAI <sup>^</sup>
# of Securities	28	98
Market Capitalisation	80,612.7	91,626.9
Active Share	52.3	--
Tracking Error	2.85	0.00
Beta	0.96	1.00
Est 3-5 Yr EPS Growth	4.1	4.5
ROE	15.9	16.2
Dividend %	4.24	4.06
P/E using FY2 Est	16.5	15.9
Price/Cash Flow	9.4	10.3

\* Source: FactSet

<sup>^</sup> XTOAI means the S&P/ASX 100 Accumulation Index (Index). The Index is shown for comparative purposes only. Index returns do not allow for transaction, management, operational or tax costs. An index is not managed and investors cannot invest directly in an index.