

## 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	0.07%	11.09%	0.28%	7.15%	8.86%	8.64%	8.73%	7.28%
Income	0.07%	0.95%	3.81%	3.67%	3.84%	3.65%	3.92%	4.26%
Growth	0.00%	10.14%	-3.53%	3.48%	5.02%	5.00%	4.81%	3.02%
Index <sup>2</sup>	1.13%	13.66%	7.21%	10.47%	10.33%	10.23%	8.61%	6.72%
Outperformance	-1.06%	-2.57%	-6.93%	-3.33%	-1.48%	-1.58%	0.12%	0.56%

<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 January, returning 0.07%, versus the index return of 1.13%. 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>Resmed Inc CHESSE Depository Interests on a ratio of 10 CDIs per ord.sh (RMD)</b> 14.8%	RMD, a key overweight across our portfolios surged in January. Despite a modest earnings beat, its prior weak trading position amplified the positive impact of even slight outperformance. The fading GLP-1 narrative refocuses attention, crucial for the stock re-rating to its historical price to earnings (PE). Competitor Philips' exit from the home ventilator market further benefits RMD, potentially increasing its FY25 net profit after tax (NPAT) forecasts by 8%. Overall, RMD's attractive valuation and shifting investor sentiment underpin its strong performance and ongoing potential.
<b>Aristocrat Leisure Limited (ALL)</b> 9.0%	ALL delivered strong performance over the month following a continuation of positive operating conditions in its key North American land-based segment. Market share and performance data relating its Premium Leased games in North America continue to support its number one position. With the release of new gaming content into its iGaming vertical, we see a significant runway for growth given the infancy of this market in the US, coupled with the highly anticipated approval of its acquisition of NeoGames set for FY24. Trading below its long-term enterprise value to earnings before interest, taxes, depreciation, and amortisation (EV/EBITDA) valuation multiple, we retain our positive outlook for ALL.
<b>National Australia Bank Limited (NAB)</b> 6.2%	NAB had a positive month along with other bank names during January. APRA statistics are indicating growth in the mortgage book of roughly 2% with the business lending book growing about 3%, in the 6 months to December 2023. With the increase in rate cut expectations, NAB's share price saw strong upward momentum as the overall economic outlook improves and the banking sector benefits from the improving sentiment.

## Portfolio Activity

BUY

N/A

SELL

### Mineral Resources Limited (MIN)

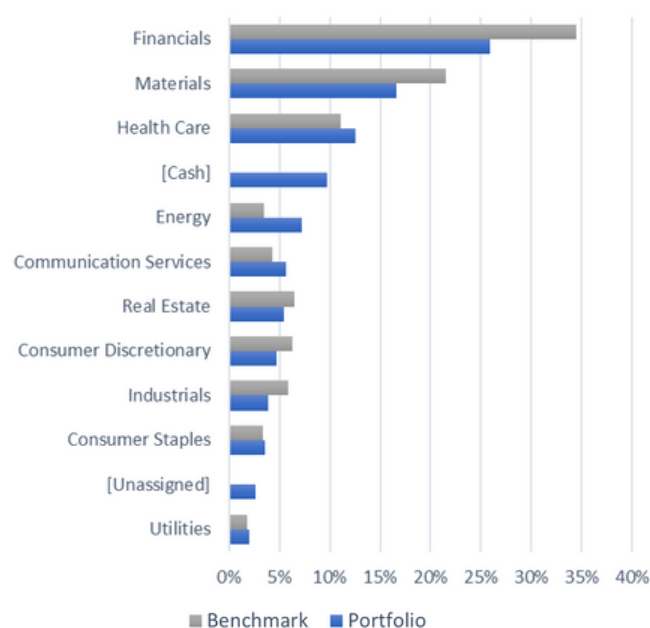
We have exited MIN on price strength post the reporting of its December 2023 quarterly. Cyclically weak lithium prices have downgraded the earnings profile of MIN, and due to its sizable debt position the company's balance sheet is stretched. We have decreased total portfolio exposure to lithium with PLS to remain in the portfolio at a small weight. Clime is optimistic on the growth outlook for mining services which is a high quality division of MIN, however we will seek exposure to this thematic through investments in pure play mining services businesses.

## 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	27	98
Market Capitalisation	86,263.4	93,276.1
Active Share	52.1	--
Tracking Error	2.41	0.00
Beta	0.89	1.00
Est 3-5 Yr EPS Growth	3.9	3.4
ROE	16.1	16.2
Dividend %	4.26	3.96
P/E using FY2 Est	16.5	16.0
Price/Cash Flow	9.6	10.5

\* 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.