

## Introduction

The principal objective of the Sintra Global Fund is to grow investor wealth over the long-term while maintaining a capital preservation focus by investing in a portfolio of Australian and International securities.

As at 31 December 2023	1 Mth	3 Mths	6 Mths	12 Mths	Since Inception p.a.*
Sintra Global Fund Performance <sup>1</sup>	3.53%	7.52%	6.45%	21.02%	13.37%

<sup>1</sup>Net of fees

\* Inception date: 1 July 2022

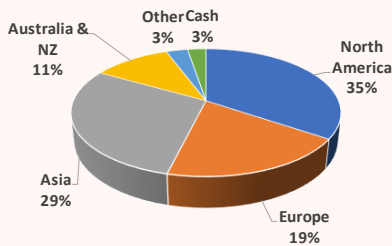
## Core Portfolio Holdings

Alphabetical Order

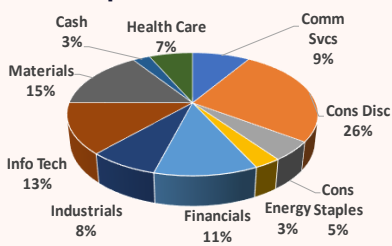
Alphabet	Freeport
Aristocrat	Microsoft
Costco	Seven Group
Deckers	Universal Music
Flutter	Visa

## Geographic Exposure

by Revenue Source



## Sector Exposure



*"Never bet against America."* - Warren Buffett

## Market Commentary

Global equity markets ended 2023 on a positive note as investors welcomed the prospect of interest rate cuts in the US following encouraging commentary from the Federal Reserve. Remarkably, the war on inflation appears to have been won without an economic downturn and associated loss of jobs. Once again, the US consumer has proven their resilience and willingness to continue spending despite higher living costs. Meanwhile, the big keep getting bigger thanks to their unique pricing power and lack of any genuine competition. We don't see this dynamic changing anytime soon.

During the month we reduced our weighting in **Nike** and initiated a position in specialty athletic shoe manufacturer **On Holding**. Anecdotally, on a recent trip to the street markets of Southeast Asia, in addition to the usual fake Rolex watches and Prada handbags available for sale, vendors are now also stocking Hoka and On footwear. That's when you know a brand has truly made it.

The AUD appreciated by 3.1% versus the USD for the month driven by expectations of an imminent US interest rate cut compared to a more stable short-term rate outlook in Australia. The Sintra Global Fund is currently hedged 72% back to the AUD, significantly protecting the portfolio from December's rise.

## Key Portfolio Contributors

**Costco (+12%)**: First quarter reported results exceeded expectations driven by increased foot traffic along with improvements in some non-food categories like televisions and appliances. Costco continues to grow market share underpinned by its strategy of maintaining low prices on essentials. We eagerly anticipate an increase in membership fees to further propel earnings. With a strong balance sheet and management's disciplined approach to capital allocation (announcement of \$15 per share special dividend), Costco remains a core portfolio holding.

**James Hardie (+16%)**: Direct beneficiary of falling US interest rates along with recent earnings upgrades. James Hardie is the dominant player in the global fiber cement industry with over 70% of company revenue derived from North America. In addition to increasing overall construction activity, growth opportunities in the home renovation market remain robust with 40m homes in the US more than 40 years old and ripe for updating.

## Why Sintra?

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Skilled portfolio managers with Combined 45+ years of equity market experience	Long-term track records of superior investment performance	High conviction portfolio consisting of 20-30 companies	One fund; One focus; Zero Conflicts	Genuine partnership approach - Principals invest alongside clients and on the same terms

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