

## 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 May 2023	1 Mth	3 Mths	6 Mths	12 Mths	Since Inception*
Sintra Global Fund Performance <sup>1</sup>	-0.20%	4.14%	6.44%	-	10.33%

<sup>1</sup>Net of fees

\* Inception date: 1 July 2022

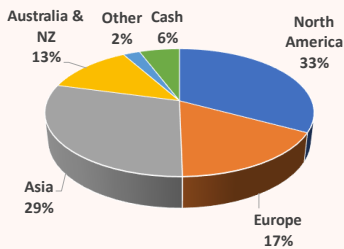
## Core Portfolio Holdings

Alphabetical Order

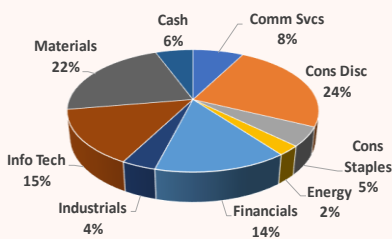
Adobe	Freeport
Aristocrat	Nike
Costco	Seven Group
Deckers	Treasury Wine
Flutter	Visa

## Geographic Exposure

by Revenue Source



## Sector Exposure



## Market Commentary

Global equity markets experienced mixed returns in May. Investors flocked to Technology stocks driven by the enormous growth potential of Artificial Intelligence (AI) while most other sectors lagged. The big tech companies with their strong balance sheets and massive R&D budgets are best positioned to dominate the rapidly evolving AI landscape in yet another example of the big becoming bigger. Core portfolio holdings **Adobe (+11%)**, **Alphabet (+14%)**, **Amazon (+14%)** and **Microsoft (+7%)**, all AI beneficiaries, made positive contributions to fund performance.

Americans appreciate good theatre and the debt ceiling negotiations delivered in spades. President Biden even had to cancel his trip to Australia because of it! Not surprisingly negotiations went down to the wire and investors breathed a collective sigh of relief (again). With corporate earnings remaining robust and the likelihood of a US recession diminishing we expect a broadening of returns across the market towards real economy sectors including resources and other cyclicals. Numerous Fed officials offered their views on the current economic climate along with the need or otherwise for future interest rate rises. Despite no clear consensus, bond markets have an 73% probability of no change at the next meeting on 16 June. Meanwhile in Australia, the Federal Government's expansionary budget is out of sync with the RBA's monetary tightening agenda. Ultimately there will be few winners. Who blinks first?

The AUD depreciated by -1.6% versus the USD for the month. The Sintra Global Fund is currently hedged 67% back to the AUD, benefitting partially from the declines.

## Key Portfolio Contributors

**James Hardie (+13%)**: Rallied as FY2023 results exceeded expectations largely driven by resilient US margins and above consensus earnings guidance for Q1 FY24. James Hardie is the dominant player in the global fibre-cement industry currently trading at 19x 1-yr forward PE, well below it's long-term average.

**Resources**: Declining commodity prices amid concerns over China's stalled re-opening pressured our resource holdings. Conviction around the medium-term outlook for Chinese demand has not changed (see note [here](#)) and we took advantage of more attractive share prices to increase exposure.

## Why Sintra?

1

Skilled portfolio managers with Combined 45+ years of equity market experience

2

Long-term track records of superior investment performance

3

High conviction portfolio consisting of 20-30 companies

4

One fund; One focus; Zero Conflicts

5

Genuine partnership approach - Principals invest alongside clients and on the same terms

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