

## 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 October 2023	1 Mth	3 Mths	6 Mths	12 Mths	Since Inception p.a.*
Sintra Global Fund Performance <sup>1</sup>	-1.52%	-5.14%	0.01%	9.75%	7.83%

<sup>1</sup>Net of fees

\* Inception date: 1 July 2022

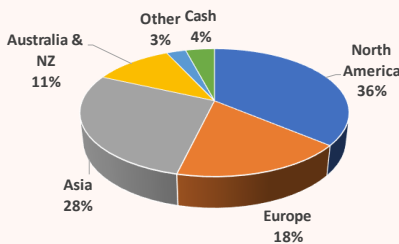
## Core Portfolio Holdings

Alphabetical Order

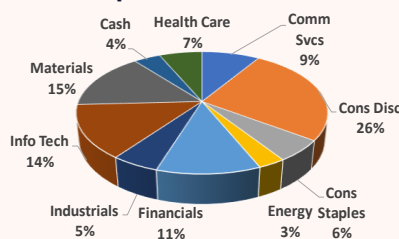
Alphabet	Freeport
Aristocrat	Nike
Costco	Seven Group
Deckers	Universal Music
Flutter	Visa

## Geographic Exposure

by Revenue Source



## Sector Exposure



*"The best time to plant a tree was 20 years ago. The second-best time is now." Chinese proverb*

## Market Commentary

Global equity markets struggled in October as investor worried about a spike in geopolitical tension and a growing realisation that interest rates are set to remain higher for longer. US companies reported quarterly results which once again broadly exceeded expectations. It is clear to us that the US consumer remains in good health. Low unemployment combined with wage growth above the long-term average (after 20 years of being close to zero) is certainly helping. The additional income is typically all spent, especially at the lower end, providing a further boost to economic activity. We continue to take advantage of macro driven market falls to acquire high quality businesses at attractive valuations. During the month we initiated positions in **Resmed** and **Apple**.

We closely monitor commodity prices as a barometer for China and overall global economic growth. Encouragingly, demand for Iron Ore, an essential ingredient in steel production, remains elevated despite the negative sentiment. With China, we must constantly remind ourselves to watch what they do, not what they say.

The AUD depreciated by 1.5% versus the USD for the month. The Sintra Global Fund is currently hedged 73% back to the AUD, partially benefitting from October's fall.

## Key Portfolio Contributors

**Deckers (+16%):** Strong Q2 FY24 results driven by continued momentum in Hoka and powerful UGG demand. Increasing proportion of Direct-to-consumer sales leading to significantly better gross margins underscores brand strength. With earnings forecast to grow at 17% p.a. over the next 3-years along with balance sheet optionality (cash balances > 5% of market capitalisation), Deckers remains a core holding for the Fund.

**Alphabet (-5%):** Reported mixed Q3 FY24 results as Cloud revenue growth slightly missed expectations. On the positive side, key segments including Search and YouTube accelerated. Currently trading on a 1-yr forward PE of under 20x, Alphabet is a major AI beneficiary underpinned by a monopoly core business. We believe the market reaction to a single "slower" quarter of Cloud performance is overdone and have added to our position.

## 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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