

Ralton Concentrated Australian Equity

Monthly Portfolio Report | January 2025

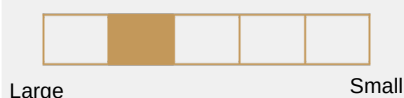


Key facts

Income versus growth target



Market cap bias



Investment strategy

A portfolio of ASX-listed equities designed to provide capital growth with some tax-effective income

Investment objective

Outperform index by over 3% p.a.

Benchmark index

S&P/ASX 300 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

External ratings

Zenith "Approved"

Key platforms

HUB24, NetWealth, Praemium, OneVue, Powerwrap, Linear, Xplore, Wealth02

Performance (% returns greater than one year are p.a.)¹

At month end	1 mth	3 mth	1 yr	2 yr	3 yr	5 yr	10 yr	Inception
Ralton	3.7%	2.8%	9%	4.8%	8.4%	5.7%	7.2%	7.2%
Income	0.0%	0.6%	3.5%	3.6%	3.5%	3.4%	3.7%	4.0%
Growth	3.7%	2.2%	5.5%	1.2%	4.9%	2.3%	3.5%	3.2%
Index ²	4.5%	5.0%	15.1%	10.8%	11.1%	7.9%	8.6%	6.8%
Outperformance	-0.7%	-2.2%	-6.1%	-6.0%	-2.7%	-2.2%	-1.5%	0.4%

¹ 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.

² Index means the S&P/ASX 300 Accumulation Index.

Portfolio Performance

The Ralton Concentrated Portfolio underperformed the ASX300 Accumulated Index in January, returning 3.7%, versus the index return of 4.5%.

Contributors	Comment
Newmont Corporation Registered Shs Chess Depository Interests Repr 1 Sh (NEM.ASX) 16.2%	NEM performed well in January, driven by continued strength in the price of gold, ongoing central bank purchasing activity, and heightened political uncertainty following Trump's presidential election. NEM's total proceeds from the sale of non-core assets have reached nearly USD 4 billion, significantly exceeding its original guidance. This positive outcome leaves NEM well-capitalised, and the miner is executing its strategy as expected.
Monadelphous Group Limited (MND.ASX) 12.9%	JIN's H1 FY24 performance was characterised by strong operational metrics across its core lottery retailing and SaaS/managed services segments. The company witnessed a record-breaking 3Q lottery retailing TTV, driven by an unprecedented jackpot cycle, auguring well for continued growth. While reaffirming its conservative guidance, JIN's strong free cash flow generation, coupled with a solid balance sheet, positions it favourably for potential merger and acquisition activity in the charity lotteries space. The company's operational excellence, coupled with its successful diversification efforts, highlights its ability to deliver consistent shareholder value.
Resmed Inc CHESS Depository Interests on a ratio of 10 CDIs per ord.sh (RMD.ASX) 9.3%	RMD rallied over the month with help from on-going positive industry feedback of continued strong demand for Resmed's CPAP machines that treat obstructive sleep apnea. This positive sentiment was validated late in the month when RMD's 2Q financial result reported sales growth of 10% and earnings growth of 19%.



Portfolio Performance

Detractors	Comment
Telstra Group Limited (TLS.ASX)	<p>Although TLS was a detractor during the month, we continue to view improvements in revenue per unit sales and the recent acquisition of Boost Mobile as positive developments for the business. TLS is expected to announce its T30 strategy, which will provide clarity on future cost control measures. Additionally, the ongoing rollout of 5G infrastructure strengthens its competitive edge in both mobile and broadband.</p>
Ramsay Health Care Limited (RHC.ASX)	<p>Recent weakness in the WOR share price is due to short term concerns from the pause of a large US gas contract on which WOR consults, along with its broader sales pipeline. The share price has declined further than the relative earnings impact of potential contract delays and this has created an opportunity for us to add to the WOR position which we see as a high quality company with long term growth.</p>

Portfolio Activity

BUY	
IDP Education Ltd. (IEL.ASX)	<p>IEL is a leading global provider of education and migration services, offering English Language Testing (IELTS) and supporting students with university applications and enrolments. After a period of disruption driven by global political uncertainty, we foresee a path to policy and volume (Student Placements and IELTS testing) normalisation from FY26 onwards, with greater industry regulation favouring high-quality operators. We believe IEL's global market position is undervalued, supported by its strong relationships with governments and universities, as well as continued investment in technology that drives product innovation and growth above industry standards. With earnings forecasts depressed by cyclical factors rather than structural issues, we see the current valuation as underestimating its long-term earnings potential.</p>

Portfolio Activity

SELL

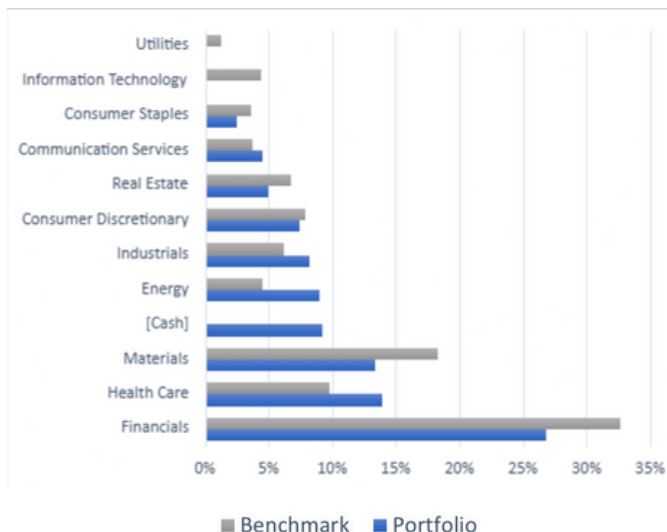
Qube Holdings Ltd. (QUB.ASX)

QUB has delivered strong returns over the past year, driven by higher utilisation of its diversified, quality strategic assets, improving the outlook for returns. While we remain positive on QUB's medium-term prospects, we are taking the opportunity to lock in profits ahead of its 1H25 results, as its valuation approaches fair value.

Top 10 holdings (alphabetical)

ANZ Group Holdings Limited	Macquarie Group, Ltd.
Aristocrat Leisure Limited	Newmont Corporation
BHP Group Ltd	Resmed Inc
Commonwealth Bank of Australia	Telstra Group Limited
CSL Limited	Westpac Banking Corporation

Sector Positioning



Portfolio metrics*

	Ralton	XKOAIA
# of Securities	25	299
Market Capitalisation	85,710.2	86,263.8
Active Share	56.3	--
Tracking Error	3.35	--
Beta	0.80	1.00
Est 3-5 Yr EPS Growth	4.0	4.3
ROE	10.8	12.3
Dividend %	3.56	3.35
P/E using FY2 Est	17.0	17.6
Price/Cash Flow	11.5	11.9

* Source: FactSet

^ XKOAIA means the S&P/ASX 300 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.