

Intelligent Investor Ethical Share Fund

(Managed Fund) (ASX:INES)

Issued by
InvestSMART Funds
Management Limited
ACN 067 751 759
AFSL 246441

Managed by
Intelligent Investor
Holdings Pty Ltd
ACN 109 360 983
CAR 1255 838

ARSN 630 396 584
ASX Code: INES

A good analyst is not a good investor: The process of analysing a business and investing are different skill sets. “You tend to get sceptics as analysts because they can find the flaws, and every business has flaws. But they get hyper-fixated and stop looking at the trade-offs.” — Richard Pzena

There were two major sales during the month for ESG reasons. **Mineral Resources** after improper dealings a decade ago by the company’s management and former chairman were splashed across the media, and **PWR Holdings** after hearing the extent of its plans to expand in the defence industry at its AGM.

We replaced the pair with two former holdings **Auckland Airport** and **Telstra**, which seems reinvigorated under impressive new CEO Vicky Brady.

MA Financial’s share price continues to increase following the success of its latest fund launches despite an elusive rebound in corporate activity. It’s still cheap at 15x 2026 earnings if recent investments pay off.

CSL disappointed investors after announcing several late-stage trial failures, while **Eagers** calmed investors after reporting strong car sales while coincidentally, we were touring its Indooroopilly Automall.

Performance (after fees)

	1 mth	1 yr	2 yrs	3 yrs	S.I. (p.a)
II Ethical Share Fund	0.5%	23.4%	7.6%	1.4%	9.6%
S&P ASX 200 Accumulation Index	-1.3%	24.9%	13.4%	8.0%	8.2%
Excess to Benchmark	1.8%	-1.5%	-5.8%	-6.6%	1.4%

Inception (S.I.): 11 Jun 2019


RIAA’s RI Certification Symbol signifies that a product or service offers an investment style that takes into account environmental, social, governance or ethical considerations. The Symbol also signifies that Intelligent Investor Australian Ethical Share Fund (ASX: INES) adheres to the strict operational and disclosure practices required under the Responsible Investment Certification Program for the category of Product. The Certification Symbol is a Registered Trademark of the Responsible Investment Association Australasia (RIAA). Detailed information about RIAA, the Symbol and Intelligent Investor Australian Ethical Share Fund (ASX: INES) methodology, performance and stock holdings can be found at www.responsibleinvestments.com.au, together with details about other responsible investment products certified by RIAA.





Fund overview


The Intelligent Investor Australian Ethical Share Fund is an Active ETF designed for investors seeking a diversified selection of Australian companies that produce growing, sustainable profits at low risk of interruption from the increasing threats associated with Environmental, Social and Governance (ESG) factors.


 **5+ yrs**
Suggested investment timeframe

 **10 - 35**
Indicative number of securities

 **Risk profile: High**
Expected loss in 4 to 6 years out of every 20 years

 **S&P/ASX 200 Accumulation Index**
Benchmark

 **Investment fee**
0.97% p.a.

 **Performance fee**
Nil



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Aussie Broadband reiterated its annual profit guidance at its AGM with all its key segments showing good growth following some excellent customer wins. While **ResMed**'s share price increased a further 10% following another good result.

The Aussie dollar helpfully reversed last month's gains, and we're more confident major shareholder Bertelsmann will eventually pay a premium to acquire our holding in Brazilian medical education

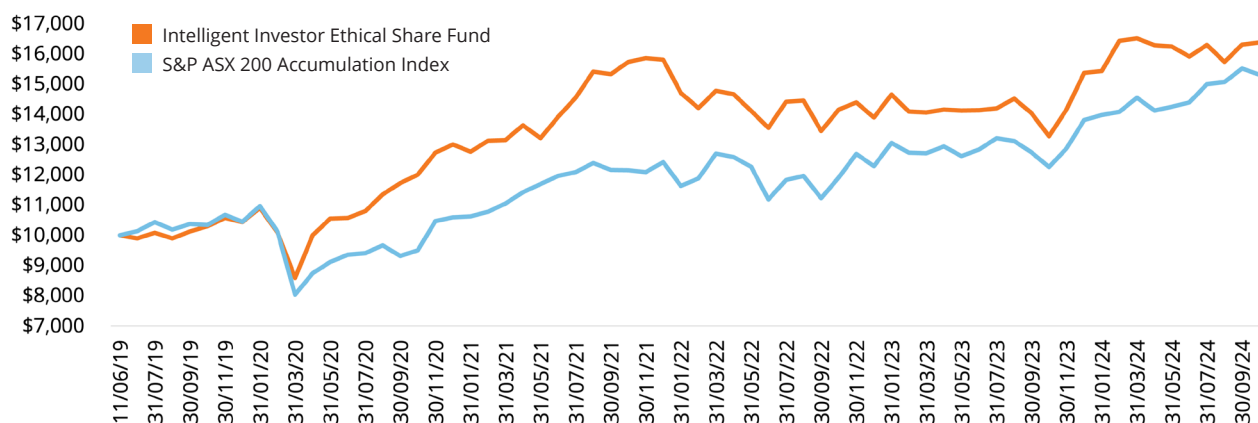
company **AFYA**, which is drastically undervalued after successfully navigating Covid when students couldn't attend classes.

Please get in touch if you have any questions

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Performance since inception



Inception (S.I.): 11 Jun 2019

Asset allocation

Financials	27.3%
Communication Services	18.0%
Information Technology	17.6%
Health Care	16.4%
Cash	9.1%
Consumer Discretionary	6.9%
Industrials	2.8%
Materials	1.9%

Top 5 holdings

RPMGlobal Holdings (RUL)	8.1%
CSL (CSL)	6.3%
MA Financial (MAF)	6.0%
CME Group (CME.NAS)	5.5%
Fairfax Financial (FFH.TSX)	5.1%

Fund Stats

Distribution yield	4.7%
Net asset value	\$3.35

Important information

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All tables and chart data is correct as at 31 October 2024