

Intelligent Investor Australian Equity Growth Fund

(Managed Fund) (ASX:IIGF)

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 630 396 691
ASX Code: IIGF

‘[In the past two years] the Russell 1000 growth stock cohort lapped the value factor by 19% and 31%. That’s the most lopsided showing since at least 1979, eclipsing the cumulative 48.9% gap seen during the acute phase of the dot-com mania in 1998 and 1999.’ — Charlie Billelo

New year, same market, though we received an unusual amount of good news in what’s normally a quiet month. **Mineral Resources’** share price remains depressed despite increasing production at Mt ONSLOW to an annualised run rate of 19m tonnes whilst cyclones flooded all parts of its operations. The final two transhippers designed to supply 35m tonnes by June to rapidly reduce debt are due in February and April.

ResMed delivered another strong result with growth that **Commonwealth Bank** can only dream of despite the sleep apnoea industry leader trading at a lower multiple. ResMed remains unusually cheap in such an expensive market where US tariffs will penalise its competitors, such as **Fisher and Paykel**, but we’re cognisant rival Philips will re-enter the market soon after a painful product recall.

Karoon Energy announced a buyback for up to 10% of its current market value with dividends reaching 20-40% of profits. Like Mineral Resources, we believe Karoon’s worth at least twice its current price though the salad days for oil companies are over thanks to China’s tectonic shift to electric vehicles, for example.

Performance (after fees)


	1 mth	1 yr	2 yrs	3 yrs	S.I. p.a
II Australian Equity Growth Fund	1.2%	3.9%	1.4%	5.4%	10.1%
S&P ASX 200 Accumulation Index	4.6%	15.2%	11.1%	11.4%	12.9%
Excess to Benchmark	-3.4%	-11.3%	-9.7%	-6.0%	-2.8%


Inception (S.I.): 5 October 2020





Fund overview


The Intelligent Investor Australian Equity Growth Fund is a concentrated portfolio of 10 - 35 Australian-listed stocks. The Portfolio invests in a mix of large, mid and small cap stocks, focusing on highly profitable industry leaders that have long-term opportunities to reinvest profits at high rates of return.


 **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

In a seamless transition **Aussie Broadband** promoted its Aussie Broadband divisional chief Brian Maher to Group CEO to continue its expansion into higher margin markets. It could also be a takeover target as corporate activity increases this year, which should also benefit **MA Financial**.

Regardless, MA Financial's profits should increase materially over the next two years after years of heavy investment. Its well-publicised MA Credit Income Trust, the company's first listed private credit trust, is off to a good start after raising almost \$200m of its \$300m target.

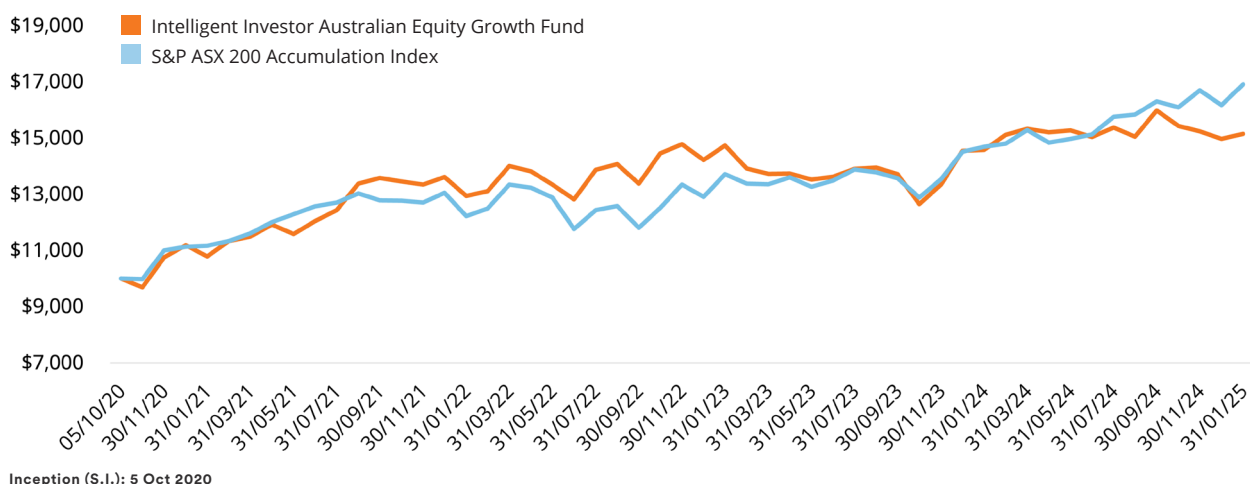
Lastly, **PWR Holdings** announced its largest Aerospace and Defence contract with the US Government for a test project. While showing the huge potential for PWR when it supplies full scale projects, it contrasts with founder Kees Weel selling almost half his remaining shareholding a week earlier.

Please get in touch if you have any questions

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Performance since inception



Asset allocation

Materials	22.9%
Health Care	17.6%
Consumer Discretionary	12.7%
Financials	8.0%
Information Technology	7.0%
Cash	6.8%
Communication Services	6.3%
Consumer Staples	5.9%
Energy	4.7%
Industrials	4.5%
Utilities	2.8%
Real Estate	0.9%

Top 5 holdings

BHP Group (BHP)	7.3%
CSL (CSL)	7.0%
ResMed (RMD)	6.7%
MA Financial (MAF)	6.4%
New Hope Corporation (NHC)	6.1%

Fund Stats

Distribution yield	1.3%
Net asset value	\$2.97

Important information

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All tables and chart data is correct as at 31 January 2025