

PORTFOLIO MANAGER COMMENTARY

The Clearwater Dynamic Portfolio (CDP) rose +2.35% over the month of February, bringing our 12 month performance to an impressive +10.78%. Comparing this to the ASX200's 12 month performance of +6.07% confirms just how strong the CDP's performance has been.

Despite the last 4 years featuring two large drawdowns in listed equity markets, in 2020 and 2022, the CDP's performance has held up well and the 3 year and since inception performance figures are now comfortably above 5.0% p.a. We are very proud of these outcomes.

Without question, equity markets, and especially international equity markets, are in a bullish frame of mind. Strong contributions to performance this month came from the Hyperion Global Growth Fund +11.2%, the Munro Global Growth Fund +11.0%, the Loomis Sayles Global Equity Fund +8.0%, Judo Capital Holdings +5.5% and the Aoris International Share Fund +5.4%.

Which raises the question - do we expect the present bull phase to continue in its current form? Markets are characterized by both long-term and short-term trends, and a short-term pullback of sorts is guaranteed to happen at some point, that is just how markets work.

However, the CDP is designed as a long term growth vehicle, and is constructed and managed to withstand and exploit bouts of market volatility. As a consequence, while we are monitoring the portfolio to identify opportunities to take some profits where appropriate, we continue to seek opportunities to deploy capital in areas of markets that might not yet have benefited as much during the recent market run.

To reiterate, over the longer term we remain very constructive on the market outlook. Sure, there are a lot of things to worry about such as wars in the Middle East and Europe, an acrimonious US Presidential election looming, the on-going threat of trade wars, and a softening economic outlook (especially in China), it is central banks that have largely been calling the shots of late when it comes to longer term market trends. With cash rates over 5% in many developed markets and the trend in inflation appearing to be down, central banks have room to maneuver, should they wish, if economies or markets weaken from here.

The prospect of cash rates falling across the globe while economic growth remains strong has been very much the driver of the recent rally across markets. If these expectations are fulfilled, they will be the driver of long term positive dynamics for economies and markets over the months and years to come.

Given the long term nature of the CDP we are able to embrace and reflect a long term optimistic outlook in the portfolio. The potential for upside surprises to growth and earnings through technological advancements provides us with much enthusiasm as to the prospects of the CDP's performance going forward. Sure, there will be market volatility and drawdowns along the way, but through our active management approach we see market gyrations as opportunities to exploit and as chances to add to return outcomes for investors.

INVESTMENT OBJECTIVE

Target return	Cash + 6.0% per year, after fees over 10-year periods
Timeframe	Minimum 7 years
Defensive / Growth	10% defensive / 90% growth
Min Investment	\$1,000
Redemption Liquidity	Approximately 2 weeks to process, subject to product disclosure statement (PDS) guidance.

PERFORMANCE REPORT

	1 Month	3 Months	1 Year	3 Years p.a.	5 Years p.a.	Inception p.a.
Clearwater Dynamic Portfolio	2.35%	7.50%	11.78%	5.38%	N/A	5.65%
Benchmark (Cash +6%)	0.84%	2.54%	10.18%	7.93%	N/A	7.54%

ASSET ALLOCATION

ASSET CLASSES	CURRENT ALLOCATION
Cash	7.3%
Fixed Income	8.2%
Alternatives & Opportunistic	21.6%
Property & Infrastructure	7.6%
Australian Shares	24.0%
Global Shares	31.3%
Total	100.0%

TOP 5 PERFORMERS IN FEBRUARY 2024

FUND NAME	PERFORMANCE
Hyperion Global Growth Companies	11.2%
Munro Global Growth	11.0%
Loomis Sayles Global Equity	8.0%
Judo Capital Holdings	5.5%
Aoris International	5.4%

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