

Oakleigh 18.6 Strategic Investment Portfolio

Quarterly Report - March 2022



Investment Objective and Strategy

The Oakleigh 18.6 Strategic Investment Portfolio (18.6 SIP) is an investment solution tailored to a philosophy driven by the long-term cyclical real estate and banking cycle.

The Portfolio aims to generate returns in excess of the MSCI World Index over rolling 5-year periods through a managed portfolio of Australian and international securities.

Performance	Portfolio Return ¹	MSCI Index Return ²	Average Portfolio Cash Holdings
3 Months	-0.4%	-5.2%	31%
12 Months	+9.2%	+10.1%	33%
Since Inception (Annualised)³	+11.6%	+12.7%	33%

Past performance is not a reliable indicator of future performance.

Real Estate & Banking Cycle Stage

Early Second Half Expansion

As the cycle transitions out of the 'Mid Cycle Slowdown' and into the 'Second Half Expansion', the Portfolio continues to hold a moderate cash position to preserve capital against further weakness in equity markets.

Quarterly Commentary

Last quarter saw a complete reversal of fortune for global stockmarkets.

The MSCI World Index (global stockmarket barometer & Portfolio Benchmark) ended the prior quarter very strong (+7.8%) but reversed all these gains in the first quarter of 2022.

The Portfolio holding structure (aiming to maximise returns over the duration of the 'Second Half Expansion' phase of the Real Estate & Banking Cycle), which caused underperformance last quarter, materially outperformed the MSCI Index. At the end of the quarter the portfolio was largely stable, despite the heavy losses experienced in most global markets.

Materials (Resources, Energy and Agriculture) and Banks were the standout sectors. These sectors have been a key focus for the portfolio as we move into the second half expansionary phase of the cycle. It is expected these leading sectors (plus property) will continue to lead the market into their eventual highs towards the end of the Cycle.

During the quarter, we used the market weakness to rotate out of underperforming holdings. This meant that as markets fell our cash holding steady increased, providing added portfolio protection against further losses should they eventuate.

Offsetting the exiting of weaker holdings, the portfolio added to stocks that held up against broader market weakness, including new holdings; Austin Engineering (ANG), Allkem (AKE), Ridley Corp (RIC), Lend Lease (LLC) and DGL Group (DGL). In addition holdings were increased in Auswide Bank (ABA) and Elders (ELD).

The Portfolio's best performing holding since inception Unifi Group (UWL) was subject to a takeover during the quarter and the Portfolio exited the balance of its position.

The property sector and our property holdings were mixed, as interest rates finally began the tightening cycle in the US (leading the remainder of the world). This led to some selling pressure across the property sector as markets fretted about higher rates causing a property peak. Our view is the rise in rates is unlikely to have a materially negative effect on property prices in the short-medium term. It is likely the Portfolio will increase its property holdings further over time.

08 8470 9060

invest@oakleighim.com

Adelaide, South Australia

oakleighfinancial.com/oim

Portfolio Details

Investment Objective:

Returns In excess of Benchmark

Benchmark:

MSCI World Index

Minimum Investment:

\$50,000

Management Fee:

0.95%

Performance Fee:

Nil

Investments:

Australian shares and listed property, International shares (via Exchange Traded Funds (ETF's) and managed investments)

Indicative Number of Holdings:

15-30

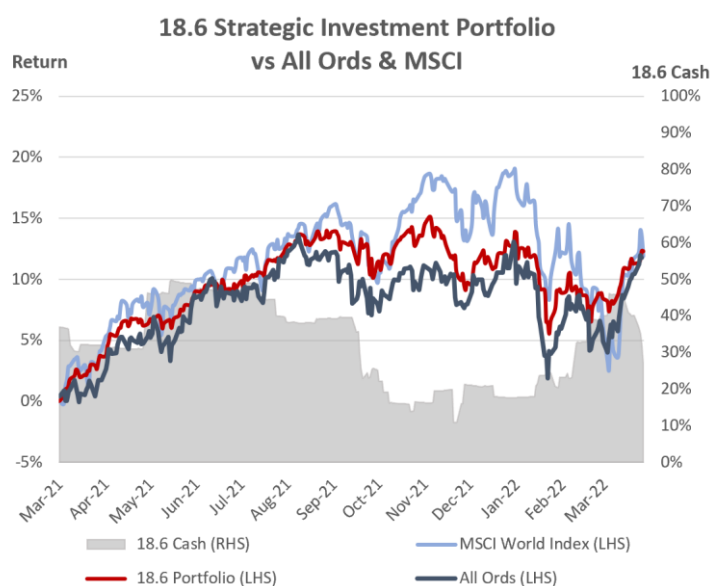
Suggested investment timeframe:

5 Years

Availability:

- Macquarie Manager II
- Macquarie Consolidator II

Performance



Source: Iress and IPS. Past performance is not a reliable indicator of future performance.

Top Performers

South 32 (S32)	+37%
Karoo Energy (KAR)	+28%
Auswide Bank (ABA)	+12%
Austin Engineering (ANG)	+9%
Elders (ELD)	+8%

'Top Performers' - Total Returns (stock price gains plus distributions) over the duration of quarter or for the period the stock position was held by the Portfolio during the last quarter.

Top Holdings

\$A Cash	27.0%
Vaneck Vectors Australian Property ETF	5.4%
Commonwealth Bank	5.3%
National Storage	4.3%
Auswide Bank (ABA)	4.2%

About the Portfolio Manager

Oakleigh Investment Management Pty Limited is the Portfolio Manager of several investment portfolios, including the Oakleigh 18.6 Strategic Investment Portfolio. Oakleigh Investment Management is part of the Oakleigh Financial Services group, an Adelaide based, boutique financial services business with advisers who have been providing financial solutions to small business owners, families and high-net-worth clients since 2004. The group specialise in portfolio construction, asset allocation and investment management with a focus on equities.

Oakleigh Investment Management is advised by the experienced investment professionals that comprise its Investment Committee. The 18.6 Strategic Investment Portfolio is advised by Phil Anderson and Akhil Patel as specialists in the field of real estate and stock market cycles.

Performance

1. Performance is calculated before the Management Fees (but inclusive of indirect investment management fees). Assumes reinvestment of distributions and franking credits. Returns over periods longer than 12 months are annualised.
2. Based the MSCI World Index.
3. Inception Date 5th March 2021 (closing prices).

Past performance is not a reliable indicator of future performance. Oakleigh Investment Management does not guarantee the performance of the Oakleigh 18.6 Strategic Investment Portfolio.

Important information

This Report is issued by Oakleigh Investment Management Pty Ltd ABN 59 640 392 516, Authorised Representative 1285 526 of Oakleigh Financial Services Pty Ltd AFSL 501454. The information provided in this Report is general in nature and does not take account of your specific needs or circumstances. You should consider your personal situation and seek professional advice before making any financial decisions.

Performance data provided is before fees and is sourced from Iress Portfolio System (IPS). Iress, a listed Australian technology company, is used by more than 9,000 businesses and 500,000 globally.

The commentary reflects Oakleigh Investment Management's views and beliefs at the time of preparation which are subject to change without notice. The information is provided in good faith. No representations or warranties are made by Oakleigh Investment Management as to its accuracy and reliability. To the extent permitted by law, no liability is accepted by Oakleigh Investment Management for any loss or damage as a result of any reliance on this information.

The disclosure document for the Oakleigh Strategic Investment Portfolio ('Portfolio') can be obtained at macquarie.com.au/investing/macquarie-wrap. For more information on services provided by the Oakleigh Financial Services group refer to the Financial Services Guide (FSG) at oakleighfinancial.com/tcs.



Oakleigh
Investment
Management