Switzer | Dividend Growth Fund

ASX:SWTZ

Fund Update: 30 April 2025

Key Fund Details

SWTZ Distribution Yield (net)[1]
11.06%

Benchmark Income Return[2]
3.83%

SWTZ Distribution Yield (gross)[1]
12.63%

Net Asset Value
A$2.3520

Fund Name	Switzer Dividend Growth Fund – Active ETF
Investment Manager[3]	Vertium Asset Management Pty Ltd
Responsible Entity	AGP Investment Management Limited
Fund Inception Date	23 February 2017
Stock Universe	ASX 100
Number of Stocks	20 - 50
Benchmark	ASX 100 Accumulation Index
Target/Max Cash Position	0% / 20%
Distribution Frequency	Monthly
Management Fee[4]	0.89% p.a.
Performance Fee	n/a

Notes: 1. SWTZ Distribution Yield is based on distributions attributable to the 12 months to the date of this report, relative to the net asset value per unit at the beginning of the period. 'Net' takes no account of the benefits of franking credits received on the Fund's dividend income. 'Gross' takes into account the benefits of franking credits received on the Fund's dividend income. 2. Benchmark is the S&P/ASX 100 Index sourced from Bloomberg. Income return is calculated to the 12 months to the date of this report. 3. Appointed on 28 March 2024. 4. Fees are inclusive of GST and less Reduced Input Tax Credits.

Fund Objective

The Fund aims to provide investors with an income return that exceeds the S&P/ASX 100 Accumulation Index (after fees) over rolling 12-month periods, while also maintaining a lower level of volatility relative to the Index.

Performance

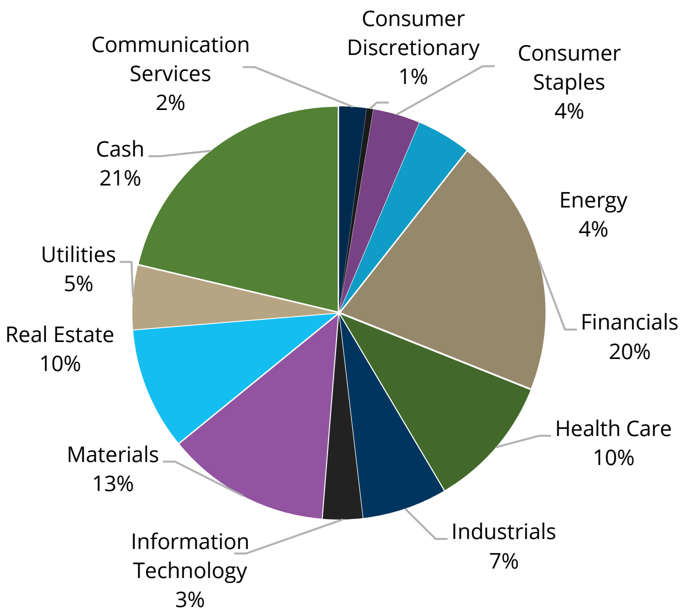
	1 Month	3 Months	1 Year	3 Years	5 Years	Fund Inception[1]
Income Return[2]	0.38%	1.07%	11.06%	6.08%	5.87%	4.63%
Franking Return[2]	0.16%	0.46%	1.56%	1.41%	1.66%	1.59%
Total Grossed-up Income Return[2]	**0.55%**	**1.53%**	**12.63%**	**7.49%**	**7.53%**	**6.22%**
Benchmark Grossed-up Income Return[3]	**0.02%**	**1.45%**	**5.11%**	**5.58%**	**5.52%**	**5.65%**

Notes: 1. Inception date is 23 February 2017. 2. Income Return is based on distributions, and franking, for the period relative to the net asset value at the beginning of the period. Periods greater than 1 year are annualised. 3. Calculated using S&P/ASX 100 Return sourced from Bloomberg.

Top 10 Portfolio Holdings

Company	Weight %
BHP Group	7.15
CSL	5.53
QBE Insurance Group	4.77
Brambles	4.74
Westpac Banking Corporation	4.63
Mirvac Group	4.20
Woodside Energy Group	4.16
Bank Of Queensland	3.19
Xero	3.11
AGL Energy	2.99
Total	**44.47**

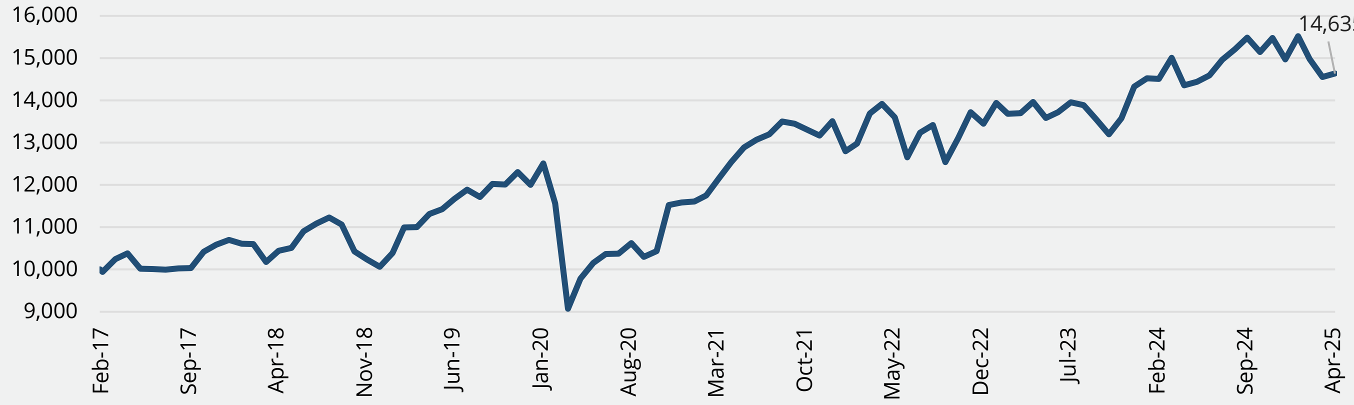
Sector Allocation



![Switzer Dividend Growth Fund]

ASX:SWTZ Fund Update: 30 April 2025

Value of A$10K Invested



Source: AGP Investment Management Limited. Calculations are based on the Net Asset Value prices with distributions reinvested, after ongoing fees and expenses but excluding tax and entry fees (if applicable).

Portfolio Update

The Fund's portfolio delivered a grossed-up income return of 0.55% during the month. The Fund's rolling 12-month total grossed-up income return is now 12.63% with an annualised 5-year grossed-up income return of 7.53%. The performance of the broader Australian share market, as measured by the ASX100 Accumulation Index which includes income and capital gains, was driven by robust gains in the Communication Services and Real Estate Investment Trusts sectors, though these were tempered by weakness in commodity-related stocks, particularly in the Energy sector. The Australian share market experienced unprecedented volatility, marked by one of the sharpest correction reversals in history. The ASX100 Index plummeted 6.2% in the first seven days of April amid fears of U.S. tariff implementations, only to rebound 10.7% by month-end after US President Trump announced a 90-day pause on tariffs. Stocks with a large market capitalisation led the rally, fuelled by an outflow of investor capital from a weakening U.S. dollar and U.S. equity markets.

The Fund's overall performance (including income and capital) was impacted by its lack of exposure to index heavyweights like Commonwealth Bank of Australia (CBA) and Wesfarmers (WES), which together accounted for nearly half of the benchmark's gains. This was despite no significant company-specific developments. Notably, CBA's share price soared to an all-time high, trading at a price-to-earnings multiple comparable with Apple, the largest U.S. stock—an historic first for Australia's largest stock. Despite the challenging environment, the Fund saw positive contributions from Brambles (BXB) and Mirvac Group (MGR). BXB's defensive earnings profile supported its outperformance, while Mirvac benefited from expectations of further Reserve Bank of Australia (RBA) interest rate cuts, which could enhance its residential development earnings. The Fund also capitalised on a surging gold price, selling its position in Newmont Corporation (NEM) to lock in gains.

Looking ahead, the potential implementation of U.S. tariffs could slow global growth, particularly in the U.S. In response, the Fund has reduced its exposure to U.S.-focused consumer stocks, such as Light & Wonder (LNW) and Treasury Wine Estates (TWE), while increasing allocations to domestic Australian companies like Stockland (SGP). Like MGR, SGP is poised to benefit from RBA rate cuts, which improve housing affordability and drive residential sales. Additionally, the Australian Labor Government's election promise to allow first-home buyers to purchase properties with a 5% deposit (down from 20%) without requiring lenders' mortgage insurance sets the stage for a potential mini-housing boom, further supporting property developers. Australian inflation remains steady with consumer prices in the March 2025 quarter rising at an annualised rate of 2.4%, unchanged from the December 2024 quarter. At its April 1 meeting, the RBA kept interest rates (official cash rate) unchanged at 4.10%. Despite moderating inflation, the Australian central bank noted that the outlook remains uncertain, particularly in terms of consumer demand, the labour market and global factors such as US tariff policy.

The market remains vulnerable to volatility, with pockets of significant overvaluation. The Fund's strategy is to steer clear of overpriced assets, focusing instead on undervalued opportunities. Positioned defensively, the Fund aims to deliver attractive income and sustainable long-term returns with lower volatility than the benchmark.