

# **Student Managed Investment Fund November 2021 – April 2022 Update**



# November 2021 – April 2022 Fund Update

## Fund Update

The team at BC Capital are delighted to present our final Fund Update for our SMIF tenure. We would like to personally thank Khoa and Saphira for their continuous support throughout our year-long engagement and wish Summit Capital all the best in their new journey as SMIF Portfolio Managers.

This update represents the performance of the portfolio from November 2021 till April 2022. The fund returned -1.11% for the six months, compared to the All Ordinaries return of 0.04% for the same period.

With markets not showing any signs of promise over the period, with fears of inflation and rate hikes, it put a halt on the huge returns seen earlier in the year. The technology sector seemed to be hit the hardest from these worries due to their capital structure which has pushed down their valuations.

## BC Capital Stock Pitching Event

BC Capital were fortunate enough to hold a stock pitching session in late November for potential acquisitions for the portfolio. These pitches were presented over a Zoom meeting to industry professionals and the wider SMIF community.

Three different companies were pitched to industry judges, with Josh Pettman pitching the company Dusk Group (ASX: DSK), Noah Goldring and Josh Rheinberger pitching Uniti Group (ASX: UWL) and Chris Gilmore and Celine Moeller pitching Novonix (ASX: NVX). After careful consideration and a strong Q&A session for each pitch, feedback was given to all teams, and the decision was made to add positions to both Dusk Group and Uniti Group.

We would like to thank all attendees and participating portfolio managers for their hard work and strong pitches.

## Position Updates

### Uniti Group Limited (ASX:UWL)

A position was taken on Uniti Group in late November after the SMIF stock pitch event, this allowed us to use up our cash position which increased drastically through the Woolworths and CBA buyback programs.

Uniti Group was invested in due to its strong competitive advantage it had over rivals through its infrastructure business line. With the NBN being its only competitor for last mile fibre-to-the-premise installation and maintenance, we saw there was huge opportunity for Uniti Groups growth.

Since investing, Uniti Group has seen offers for a takeover, which has seen the stock rise substantially over the last few months.

### Dusk Group (ASX:DSK)

Along with Uniti, a position in Dusk Group was also taken. This was primarily due to its strong growth trajectories and upcoming presence of their loyalty customer program, along with huge store growth forecasting over the next few years should see Dusk become a powerhouse within its sector.

Dusk Group was acquired with the remaining cash holding of the fund.

## Portfolio Management Team

<i>Name</i>	<i>Current Enrolment and Contact</i>		
Chris Gilmore	Bachelor of Advanced Finance & Economics <a href="mailto:c.gilmore@uqconnect.edu.au">c.gilmore@uqconnect.edu.au</a>	Joshua Rheinberger	Bachelor of Mathematics / Bachelor of Economics <a href="mailto:j.rheinberger@uqconnect.edu.au">j.rheinberger@uqconnect.edu.au</a>
Noah Goldring	Bachelor of Commerce / Bachelor of Economics <a href="mailto:n.goldring@uqconnect.edu.au">n.goldring@uqconnect.edu.au</a>	Wisley Lau	Bachelor of Commerce / Bachelor of Economics <a href="mailto:w.lau@uqconnect.edu.au">w.lau@uqconnect.edu.au</a>
Celine Moeller	Bachelor of Commerce <a href="mailto:c.moeller@uconnect.edu.au">c.moeller@uconnect.edu.au</a>		
Josh Pettman	Bachelor of Commerce / Bachelor of Economics <a href="mailto:j.pettman@uqconnect.edu.au">j.pettman@uqconnect.edu.au</a>		

**Performance:**

	1 Month	3 Months	6 Months	1 Year	Inception p.a.	Inception*
SMIF			-1.11%	10.74%	14.54%	50.88%
All Ordinaries Accumulation Index			0.04%	4.82%	9.16%	32.07%
Alpha			-1.15%	5.92%	5.38%	18.81%

Alpha may not equal SMIF return minus All Ordinaries return due to rounding.

\*Total return since fund inception on 19 November 2018.

**SMIF Portfolio Holdings:**

Ticker	Company Name	Portfolio Weight		Position 31 <sup>st</sup> October	Return*
MQG	Macquarie Group Limited	8.0%		\$24,531	55.7%
PWH	PWR Holdings Limited	5.1%		\$15,557	149.5%
RMD	ResMed Inc	4.4%		\$13,456	82.5%
JHX	James Hardie Industries	4.3%	▲1	\$13,016	91.6%
CCX	City Chic Collective Limited	4.1%	▼1	\$12,652	157.8%
JLG	Johns Lyng Group Limited	4.0%	▲1	\$12,299	174.8%
SHL	Sonic Healthcare Limited	3.8%	▼1	\$11,489	82.4%
ANZ	Australia and New Zealand Banking Group Limited	3.7%	▲1	\$11,228	44.1%
CWY	Cleanaway Waste Management Limited	3.4%	▲1	\$10,524	19.6%
SYD	Sydney Airport Limited	3.4%	▲1	\$10,459	3.7%
CSL	CSL Limited	3.2%	▲2	\$9,916	33.1%
INA	Ingenia Communities Group	3.2%		\$9,876	74.3%
CLW	Charter Hall	3.1%	▲1	\$9,428	1.9%
CAR	carsales.com Ltd	2.8%	▲3	\$8,606	10.0%
BXB	Brambles	2.8%		\$8,574	-6.4%
CNU	Chorus Limited	2.8%		\$8,446	9.9%
BHP	BHP Group	2.7%	▲1	\$8,231	14.0%
QUB	Qube Holdings Limited	2.6%	▲1	\$7,998	23.4%
SUN	Suncorp	2.5%	▲1	\$7,735	13.0%
APA	APA Group	2.4%	▲2	\$7,429	-27.7%
NST	Northern Star Resources Limited	2.3%	▲7	\$6,948	95.2%
IDX	Integral Diagnostics Limited	2.2%	▲2	\$6,646	38.8%
ELD	Elders	2.2%	▲2	\$6,592	-1.9%
RIO	Rio Tinto Group	2.1%	▼1	\$6,411	0.4%
DOW	Downer EDI Limited	2.1%	▲1	\$6,344	28.8%
IPH	IPH Limited	2.0%	▲1	\$5,975	14.4%
BAP	Bapcor Limited	1.8%	▲2	\$5,629	12.1%
CDA	Codan Limited	1.4%	▲2	\$4,181	-18.5%
APX	Appen Limited	1.1%	▲2	\$3,236	-38.7%
WOW	Woolworths Group Limited	0.2%	▼9	\$724	
	Cash and Dividends Receivable			\$31,022	
		TOTAL		\$301,761.19	

\*Total return on each position since purchase, net of fees, excluding dividends

## Information on the Fund and Disclaimer

This update has been prepared by the student portfolio managers of the University of Queensland Business School Student Managed Investment Fund. The Fund was seeded by the University with \$200,000 in 2018 and the first investments were made in November 2018. The University of Queensland is the sole owner of the assets in the Fund and no fees are payable by the University for the management of the Fund. The Fund recognises the support of Morgans Brisbane as stockbroker to the Fund.

The information in this update is prepared primarily for educational purposes and to keep internal and external Fund stakeholders informed. Any views expressed in this update are the views of the student portfolio managers. The accuracy, reliability or completeness of data or information presented in this update is not guaranteed. The information is not intended as a securities recommendation or statement of opinion intended to influence a person or persons in making a decision in relation to an investment.