OC Dynamic Equity Fund

Fund Update | 31 October 2026

Total returns†

At 31 Oct 2026	1 Mth %	3 Mths %	1 Yr %	3 Yrs % p.a.	5 Yrs % p.a.	10 Yrs % p.a.	15 Yrs % p.a.	20 Yrs % p.a.	Incep % p.a. (Dec 2000)
OC Dynamic Equity Fund	(8.0)	(4.1)	(15.9)	4.3	1.9	7.1	11.0	6.5	10.6
S&P/ASX Small Ordinaries Accumulation	(6.4)	(3.9)	(14.4)	10.0	0.6	5.9	4.8	3.1	5.6
Outperformance	**(1.6)**	**(0.2)**	**(1.6)**	**(5.8)**	**1.3**	**1.2**	**6.2**	**3.5**	**5.0**
S&P/ASX Small Industrials Accumulation	(2.8)	(3.8)	(17.9)	7.6	(1.7)	4.4	6.5	3.4	5.3
Outperformance	**(5.2)**	**(0.2)**	**2.0**	**(3.3)**	**3.7**	**2.7**	**4.4**	**3.1**	**5.2**

Performance review

Equity markets faced a difficult month as rising bond yields placed renewed pressure on long-duration growth assets. Technology and AI-exposed stocks sold off sharply as investors questioned stretched valuations and the funding requirements of AI infrastructure. This environment weighed heavily on the Fund's growth-oriented holdings. Against this backdrop the Fund returned -8.0% for the month, underperforming the S&P/ASX Small Ordinaries Accumulation Index and the S&P/ASX Small Industrials Accumulation Index, which fell 6.3% and 2.8%, respectively.

NEXTDC (NXT, -45.8%) fell sharply in October after a power delay at M3 Melbourne forced a cut to FY27 guidance. It has since rebounded strongly in November after Goodman Group and Digital Realty bought into the register at $9.50, a 45% premium, underscoring its strategic value. **Maas Group (MGH, -45.6%)** also suffered a steep decline after Firmus, in which it holds a 3.2% stake, withdrew its ASX float, prompting the market to mark down the investment. The company has since been actively buying back shares. **SiteMinder (SDR, +24.5%)** rallied in late October after its AGM clarified guidance: compound annual recurring revenue (ARR) growth in the mid-20s through FY30, compared with "in the 20s" previously.

Outlook

The Australian equity market and the Fund have bounced back at the start of November, as several of the headwinds that weighed on October began to ease.

The US mid-term elections delivered a decisive result, with Democrats taking control of both the House and Senate. Markets welcomed the clarity of the outcome and President Trump's acceptance of it, with the S&P 500 recording one of its strongest post-midterm sessions in decades. Although divided government can create friction, policy gridlock has historically supported equities by constraining excess spending and providing a more predictable policy backdrop.

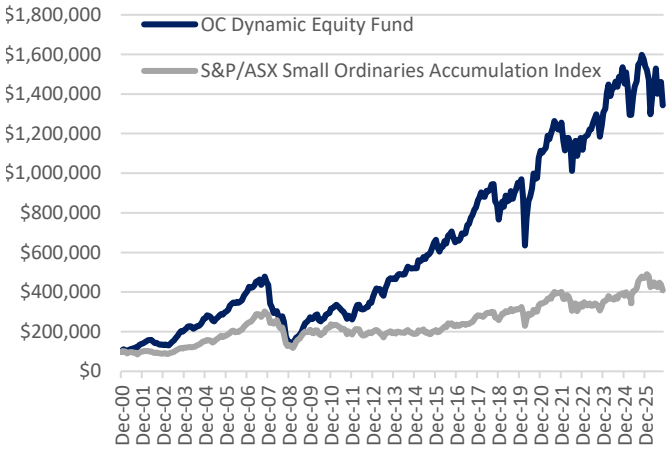
Markets have also moved to price in a negotiated resolution to the Iran conflict. The White House has linked its losses to the war, while the new Congress is expected to constrain the administration's approach. Brent crude has fallen sharply to around US$95 a barrel after ending October at a six-month high. If sustained, lower energy prices would ease a key source of inflationary pressure.

Bond yields have pulled back further in response, providing welcome relief for long-duration growth assets that bore the brunt of October's sell-off. That said, US centric technology stocks have seen heavy selling since the initial strong bounce in the market, with concerns that the Democrats' victory could bring tighter regulation of US data centres and AI and dampen semiconductor demand.

The US Federal Reserve held rates at 3.75–4.00% in October, although two members favoured a hike. In Australia, the RBA raised the cash rate to 4.85%, its fifth increase this year. However, the 6–3 voting split and removal of guidance on further tightening suggest the Australian cycle may be approaching its peak.

Following a challenging year for domestic small caps, we see grounds for optimism. The sell-off has left many quality smaller companies trading at valuations we regard as highly attractive, and we expect AGM season to affirm the operating strength of our holdings. Greater political willingness on both sides to negotiate a resolution in the Middle East could ease energy-driven inflation and reduce the need for further monetary tightening. If confidence grows that the rate cycle has peaked, we expect sentiment towards small caps to improve meaningfully. We believe the portfolio is well positioned to benefit.

Performance Comparison of $100,000 Since Inception*



Top 5 holdings#

Company	ASX Code
Breville Group Limited	BRG
Codan Limited	CDA
GenusPlus Group Ltd	GNP
Kelsian Group Limited	KLS
Reliance Worldwide Corporation Limited	RWC

The top 5 portfolio holdings are in alphabetical order and may not be representative of current or future investments.

Key Facts

Fund Overview
The Fund is a long-only, benchmark-unaware unit trust. It primarily invests in 30 to 50 quality small to medium-sized Australian companies with sustainable business models, quality management and attractive investment fundamentals that are listed, or about to list, on the ASX. The Fund can also invest up to 20% of total capital in either smaller emerging leaders businesses ($50 million to $350 million market capitalisation) and/or event-driven positions (companies expected to benefit from an upcoming catalyst or undergoing a positive change).

Responsible entity
Copia Investment Partners

Inception date
December 2000

Benchmark
S&P/ASX Small Ordinaries Accumulation Index

Investment time frame
At least 5 years

Minimum investment

Initial:	$20,000
Additional:	$5,000

Distribution
Yearly

Management fee
1.72% p.a. (including GST net of RITC)

Performance fee
20.5% (including GST net of RITC) of the amount of excess performance in any financial year, subject to a high-water mark.

Performance hurdle
The greater of the net asset value of the Fund at the beginning of the year plus 15% p.a., or the high-water mark.

High-water mark
Yes

Typical Investment Exposure

Cash	0%-20%
Equities	80%-100%
Including:	
S&P/ASX 100 Constituents	0%-20%

Platforms
BT Panorama | HUB24 | Insignia (Expand) | Xplore (Linear) | Macquarie | MLC/Navigator | Netwealth | Powerwrap | Praemium | Mason Stevens







CONTACT COPIA

1800 442 129 | clientservices@copiapartners.com.au | copiapartners.com.au

[1]The total return performance figures quoted are historical, calculated using end-of-month hard-close mid-prices and do not allow for the effects of income tax or inflation. Total returns assume the reinvestment of all distributions. The performance is quoted net of all fees and expenses. The index does not incur these costs. This information is provided for general comparative purposes. * The performance comparison of $100,000 over 10 years is for illustrative purposes only. All returns shown are based on Australian dollar figures. Past performance is not a reliable indicator of future performance. The total returns shown are prepared on an ongoing basis (i.e. they include all ongoing fees and expenses and assume reinvestment of all distributions). They do not take personal taxation into account. The comparison with the S&P/ASX Small Ordinaries Accumulation Index is for comparative purposes only. Index returns do not allow for transactional, management, operational or tax costs. An index is not managed and investors cannot invest directly in an index.
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