

Spire Copper Rock Capital Global Smaller Companies Fund

A SPIRE GLOBAL INVESTMENT SERIES FUND



Monthly Fact Sheet - June 2020

Fund Objective

To outperform the MSCI World Small Cap Index \$A on an annual basis and to outperform the same index by 2% to 3% p.a. over a full market cycle (e.g. 5 - 7 years).

Fund Manager

Copper Rock Capital Partners LLC ("Copper Rock"), based in Boston, MA, was founded in 2005 and provides specialised global equity investment management solutions for investors throughout the world with a strong focus on small cap investing globally. Copper Rock had approximately \$6.4 billion (USD) in assets under management as at 31 December 2017.

Investment Philosophy and Approach

Copper Rock believes that small and mid-cap markets are inefficient and uses a blend of quantitative and fundamental analyses to identify companies with superior growth rates relative to their peers. The Global Small Cap strategy typically looks for resilient and defensible business models that are characterized by underlying unit growth, longer term market share gains (an evidence of competitive strength), high profitability, and significant internal cash generation. Distinguishing elements of the process are also the application of a routinely practiced and proven Sell Discipline and Alert List that provide risk control and are crucial in preserving alpha earned in the portfolio.

Ratings

Zenith Investment Partners – Recommended
Lonsac – Recommended

Fund Summary as at 30 June 2020

APIR Code	ETL0410AU
Exit Price	\$0.8931
Fund Size	\$45.70 Million
Inception Date	1 July 2014
Companies in Portfolio	61
Total Management Fee	1.38%
Indirect Cost Ratio (ICR)	1.38%
Buy / Sell Spread	0.20% / 0.20%
Investment Manager	Copper Rock Capital Partners, LLC
Portfolio Management Team	
Stephen Dexter	Chief Investment Officer
H. David Shea, CFA	Sr. Portfolio Manager
David Dineen, CFA	Sr. Portfolio Manager
Responsible Entity	Equity Trustees Limited
Custodian	State Street Australia Limited

The information provided in this report should not be considered a recommendation to purchase or sell any particular security. There is no assurance that any security discussed will remain in portfolio at any time you receive this report or that securities sold have not been repurchased. The securities mentioned may represent only a small percentage of a portfolio's holdings. It should not be assumed that any of the holdings were or will prove to be profitable, or that the investment recommendations made in the future will be profitable or will equal the performance of the securities presented in this material. All securities recommendations within the preceding 12 months are available upon request.

Monthly Performance (gross %)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	0.88	-6.55	-17.60	3.86	6.10	-0.57						
2019	5.52	6.78	-0.15	3.60	-5.19	5.45	2.84	-1.86	0.46	1.58	5.38	-0.47
2018	-0.55	-0.30	1.34	1.72	1.76	0.10	0.79	5.49	-1.60	-7.74	-2.93	-6.67

Performance (%)

Performance %	1 mth	3 mths	6 mths	1 year	5 years	Inception pa>
Total (net)	-0.69	9.17	-15.51	-9.41	1.06	4.91
Benchmark*	-1.06	10.88	-10.82	-2.93	7.06	9.84
Active Return#	0.37	-1.71	-4.69	-6.48	-6.00	-4.93
Distribution	0.87	0.87	0.87	0.87	5.23	6.14

*Benchmark – MSCI World Small Cap \$A

> Inception Date: 1 July 2014 # Based on net performance. The performance data has not been audited. Performance figures are audited on an annual basis. Source: State Street.

Top 10 Common Stock Holdings**

Companies	% of Portfolio	Country
Generac Holdings Inc.	2.70	U.S.
TIS Inc.	2.38	Japan
IBIDEN CO., LTD.	2.03	Japan
Chegg, Inc.	2.03	U.S.
Tandem Diabetes Care, Inc.	1.98	U.S.
LHC Group, Inc.	1.95	U.S.
Varta AG	1.95	Germany
Perficient, Inc.	1.81	U.S.
Azimut Holding Spa	1.80	Italy
Quanta Services, Inc.	1.80	U.S.
TOTAL:	20.43%	

Portfolio Characteristics*

Characteristics	Fund	MSCI World Small Cap Index (USD)
Price / Cash Flow	11.7	7.6
P/E (Forward 1 Year)	20.0	19.5
LT EPS Growth	13.4	11.2
ROE	8.7	7.8
ROA	4.9	3.1
Operating Margin	13.3	16.5
Yield (%)	2.5	3.5
Price to Book	2.0	1.5
Weighted Average Market-Cap (US\$bil)	3.9	3.2
Number of Holdings	61	4,239
Active Share	97%	

* Data derived from a Copper Rock Global Small Cap representative account expressed in USD. Source: FactSet.

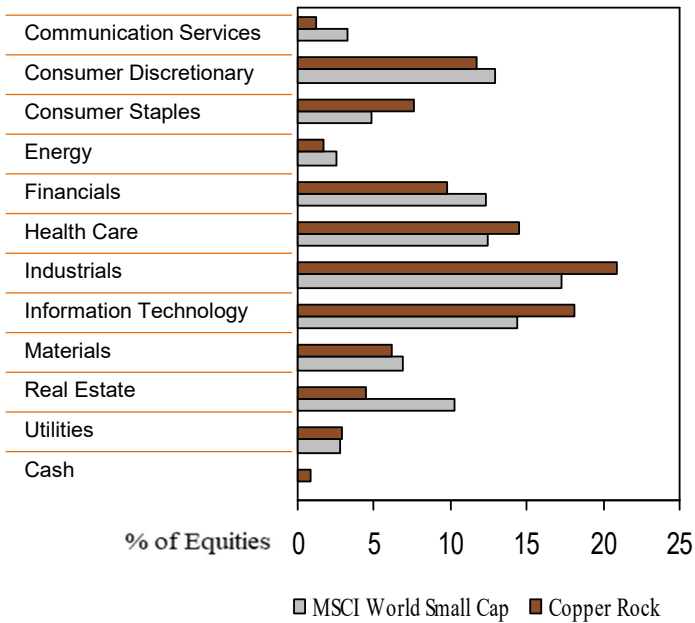
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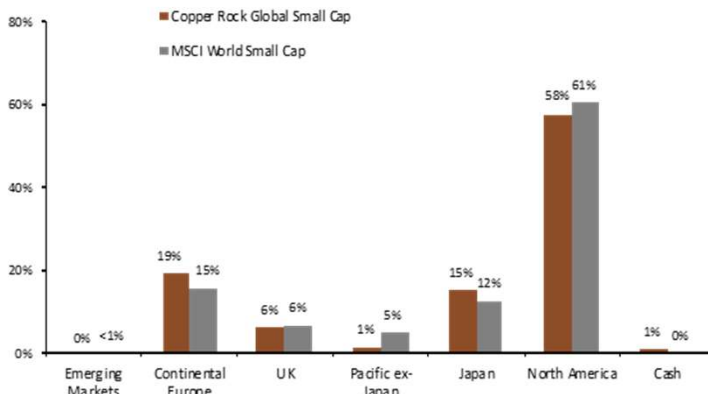
Sector Exposure (%)*



Market Commentary

The Copper Rock Global Small Composite returned -0.79% (AUD) and outperformed the MSCI World Small Cap Index which returned -1.06% (AUD). There was broad positive stock selection across the portfolio, particularly in the Utilities, Industrials, Real Estate, Consumers, and Information Technology sectors. On a regional level throughout June, there was positive selection in Continental Europe, Japan, and the UK. From May 26th - June 8th, as lockdowns ended and economic activity picked up, investors became exuberant about markets and a recovery. In 10 trading days, there was an exceptionally strong Value rally that impacted all stocks globally. Virtually all of the Russell 2000 Value's return was earned in this period as it rose +19.5%, more than twice that of the Russell 2000 Growth, +8.9%. This was evident in non-US markets also where the MSCI EAFE Small Cap Value index rose 14% and the MSCI EAFE Small Cap Growth index rose only 7%. As fast as the rally started it ended, and from June 9th to June 30th the portfolio had a positive hit rate of more than 80% over the next 13 of 16 days, leading to overall positive performance and further evidence the portfolio is behaving well and the concentration in stocks is driving returns.

Regional Allocation (%)*



* Data derived from a Copper Rock Global Small Cap representative account expressed in USD. Source: FactSet. Totals may not add to 100% due to rounding.

Tandem Diabetes Care, Inc., a leading producer of next generation closed loop insulin pumps and related supplies for treatment of insulin-dependent type 1 diabetes, was a top contributor in the month. The company has become a leader in the worldwide insulin pump market due to its innovative line of products including the t:slim X2 pump with Control IQ technology. The company performed well in the quarter after it reported strong results that were ahead of expectations due to the limited impact on new patient adoption during the pandemic. Tandem continued to do well throughout the quarter as it received a pediatric label expansion to children aged 6 and up, and subsequently received commercial coverage at UNH.

As the markets adjust around the world, Copper Rock continue to be constructive on equities. Markets have been surprisingly tolerant of negative COVID-19 related news coming from companies, and it is this view that Copper Rock's focus on assured growth companies versus cyclical growth will win the second half battle as some of the more economically sensitive stocks have had sizable moves higher that aren't supported by underlying economic reality..

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