

Spire Copper Rock Capital Global Smaller Companies Fund

A SPIRE GLOBAL INVESTMENT SERIES FUND

Monthly Fact Sheet - April 2018



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
Lonsec – Recommended

Fund Summary as at 30 April 2018

APIR Code ETL0410AU

Exit Price 1.0616

Fund Size \$94.2 Million

Inception Date 1 July 2014

Companies in Portfolio 99

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 CIO, Lead Portfolio Manager

Denise Selden, CFA Portfolio Manager

H. David Shea, CFA 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
2018	-0.55	-0.30	1.34	1.72								
2017	-3.78	1.68	2.46	4.11	0.12	2.12	-1.98	1.03	4.45	4.96	1.29	-2.36
2016	-3.99	-1.90	-0.37	0.98	8.09	-5.85	2.49	0.22	-1.27	-3.76	8.84	4.21

Performance (%)

Performance %	1 mth	3 mths	6 mths	1 year	3 years	Inception on pa>
Total (net)	1.60	2.40	0.35	7.02	5.49	10.03
Benchmark*	2.59	4.11	5.96	14.08	11.59	14.50
Active Return#	-0.99	-1.71	-5.61	-7.06	-6.10	-4.47
Distribution				5.42	9.31	7.21

*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
PAREX RESOURCES, INC.	1.9	CANADA
RYMAN HOSPITALITY PROPERTIES, INC.	1.7	USA
CALLON PETROLEUM CO.	1.6	USA
CALLAWAY GOLF COMPANY	1.5	USA
TGS-NOPE GEOPHYSICAL CO. ASA	1.5	NORWAY
GENERAC HOLDINGS, INC.	1.4	USA
EVERCORE, INC.	1.4	USA
YOKOGAWA ELECTRIC CORPORATION	1.4	JAPAN
COLUMBIA BANKING SYSTEM, INC.	1.3	USA
CORE LOGIC, INC	1.3	USA
TOTAL:	14.9%	

Portfolio Characteristics*

Characteristics	Fund	MSCI World Small Cap Index (USD)
Price / Cash Flow	11.4	10.3
P/E (Forward 1 Year)	15.6	17.3
LT EPS Growth	13.5	13.3
ROE	16.1	10.8
ROA	6.8	4.6
Operating Margin	15.7	17.1
Yield (%)	2.0	2.6
Price to Book	2.2	1.9
Weighted Average Market-Cap (US\$bil)	2.9	3.4
Number of Holdings	99	4,273
Active Share	97%	

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

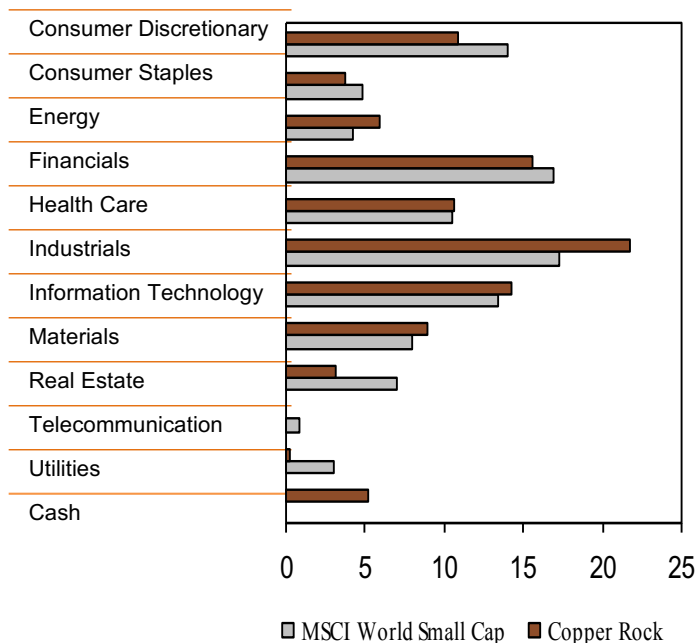
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Sector Exposure (%)*



Market Commentary

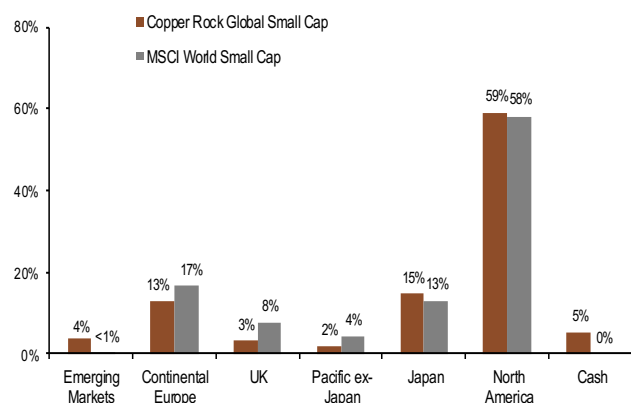
The Copper Rock Global Small Cap Composite returned -0.23% during the month of April and underperformed the MSCI World Small Cap index which returned +0.96%. Although the market headline index was in positive territory, this positive return masked the volatility of earnings season. In the U.S., individual stocks saw a muted response to what has been a relatively positive earnings announcement period. Although earnings season has been strong in aggregate, positive earnings surprises did not fuel incremental buying. This was especially true in the industrials sector, where sentiment turned negatively on the heels of Caterpillar's strong report when management had commented that this was the "high water mark", leading many investors to believe this as the peak of the cycle. Many technology stocks endured a similar fate of strong earnings reports, and muted guidance and poor performance. Against this backdrop, the top performing sectors in the index were Energy, Utilities and Telecommunications. The portfolio's individual positions in Parex Resources, Inc. (Energy/Canada) and TGS-NOPEC (Energy/Norway) were the top two individual contributors to relative return.

Copper Rock's strategy lagged in the month as they were overweight IT, Industrials and Healthcare, the three biggest laggard sectors. Yet, the strategy did have some strong positive individual stock selection within Healthcare thanks to the position in AMN Healthcare Services, Merit Medical Systems, Inc., Phibro Animal Health Corp., and Haemonetics Corp. The steady overweight to Japan also detracted during the month in concert with some individual underperformance in stock selection.

On an individual stock basis, DIP (Internet Software/Services, Japan), (HFF (Real Estate, US), Vector (Media, Japan) all reported disappointing results and performed poorly. Be Semiconductor (IT, Netherlands) reported strong results, but did not increase its guidance, which impacted the stock negatively.

Copper Rock continues to maintain a small overweight relative to the index in Industrials where they have substantial exposure in the capital goods and professional services segments and in the Information Technology sector where they are broadly exposed to later cycle technology services stocks. The portfolio remains underweight in the consumer and real estate sectors. Regionally, the portfolio has a modest overweight relative to Japan and North America but remains quite underweight relative to the index in the UK and Continental Europe.

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.

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