

Spire Copper Rock Capital Global Smaller Companies Fund

A SPIRE GLOBAL INVESTMENT SERIES FUND

Monthly Fact Sheet - January 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 billion (USD) in assets under management as at 30 September 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 31 January 2018

APIR Code ETL0410AU

Exit Price 1.0367

Fund Size \$89.1 Million

Inception Date 1 July 2014

Companies in Portfolio 86

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											
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)	-0.67	-2.00	8.14	12.95	6.90	10.01
Benchmark*	0.02	1.78	11.78	16.88	12.30	14.27
Active Return#	-0.69	-3.78	-3.64	-3.93	-5.40	-4.26
Distribution				5.42	9.31	7.72

*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
DIP CORPORATION	1.7	JAPAN
RYMAN HOSPITALITY PROPERTIES, INC.	1.6	USA
PAREX RESOURCES, INC.	1.6	CANADA
HFF, INC	1.5	USA
MGIC INVESTMENT CORPORATION	1.5	USA
EURAZEO SA	1.5	FRANCE
GENERAC HOLDINGS, INC.	1.5	USA
MAPLE LEAF FOODS, INC.	1.5	CANADA
BE SEMICONDUCTOR INDUSTRIES N.V.	1.4	NETHERLANDS
TP ICAP PLC	1.4	UK
TOTAL:	15.2%	

Portfolio Characteristics*

Characteristics	Fund	MSCI World Small Cap Index (USD)
Price / Cash Flow	14.4	9.6
P/E (Forward 1 Year)	17.1	19.1
LT EPS Growth	11.9	13.5
ROE	14.6	9.7
ROA	6.4	4.2
Operating Margin	15.5	16.9
Yield (%)	1.9	2.5
Price to Book	2.3	2.0
Weighted Average Market-Cap (US\$bil)	3.2	3.5
Number of Holdings	86	4,320
Active Share	97%	

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

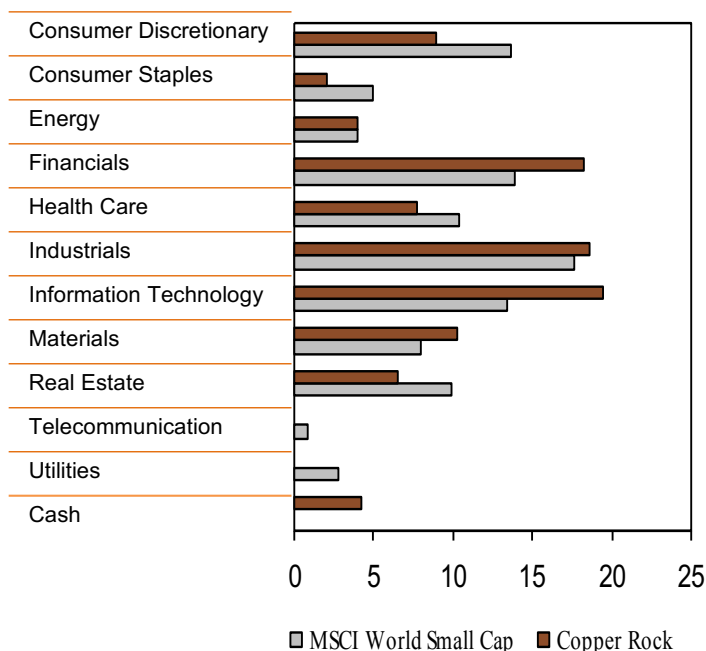
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Sector Exposure (%)*

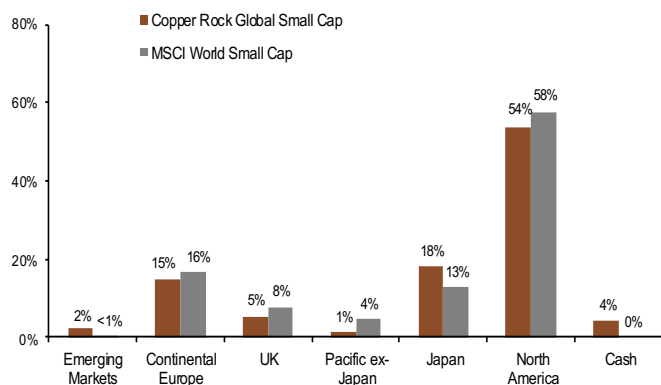


Market Commentary

During the month of January, the Copper Rock Global Small Cap Composite returned -0.52% (AUD) versus +0.02% (AUD) for the MSCI World Small Cap index. In USD terms, the Copper Rock Global Small Cap Composite returned +2.99% (USD) vs. +3.55% (USD) for the MSCI World Small Cap index. Markets moved higher in January to kick off the new year. Solid performance in Information Technology and Healthcare were up 6% and ~9%, respectively in the MSCI World Small Cap index. Industrials and Financials rallied ~4% and ~5%, respectively in the index.

During the month, the portfolio experienced positive stock selection in the Real Estate, Information Technology, and Materials sectors. No exposure in the Utilities sector was also additive. On a regional basis, individual stock selection in Continental Europe and the Pacific ex-Japan contributed to relative return. DIP Corp., a Japanese company that engages in the provision of job information and related recruiting services through the Internet, was the top contributor in the month. The company announced good quarterly results due to favorable operating profits and lower than expected expenses. DIP is expected to gain market share in the temporary staffing employment market.

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.

On the downside, the portfolio lagged primarily on stock specific selection in the US. For example, the position in RPC, Inc., an oil and gas services company, was the leading detractor in January. RPC, Inc. reported weaker than expected earnings results primarily due to lower activity levels and pricing causing the stock price to fall. While this dynamic is not atypical at year-end, Copper Rock were concerned about how long it would take to get crews and equipment repositioned based on management's comments. The stock had run up quite a bit into the quarter and valuation was expensive. The stock hit the Alert List, and Copper Rock sold the position.

At the end of January, the portfolio remains overweight relative to the index in the Information Technology, Financials, Materials, and Industrials sectors, while being underweight the Consumer, Real Estate, Utilities, Healthcare, Telecommunication Services sectors. Regionally, the portfolio is more fully weighted to Japan where the Portfolio Manager sees structural growth opportunities supported by pro shareholder policies. It also has a modest overweight in Emerging Markets. It is underweight Continental Europe and the UK as valuations are heady for the level of growth Copper Rock looks for in the strategy.

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