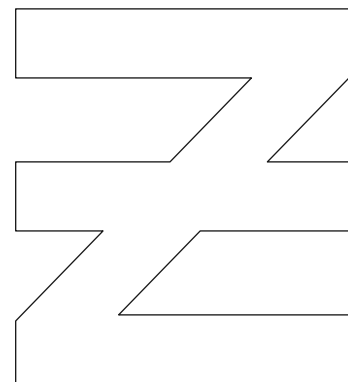


Ellerston Global Equity Managers Fund (GEMS) Class C



Monthly Newsletter, August 2022

Investment Objective

To generate superior returns for unitholders with a focus on risk and capital preservation.

Investment Strategy

The Fund provides investors with exposure to global markets through a long short equity strategy. The strategy overlays fundamental bottom-up stock selection with global macroeconomic and market outlook.

Key Information

Inception Date ^^	1 December 2009
Portfolio Managers	Ashok Jacob & Arik Star
Application Price	\$1.5726
NAV Price	\$1.5687
Redemption Price	\$1.5648
Gross Exposure	162.84%
Net Exposure	34.20%
Unit Pricing	Monthly
Management Fee	1.50%
Performance Fee	16.50%
Buy/Sell Spread	0.25% on application 0.25% on redemption

PERFORMANCE SUMMARY

Performance (Net)*	1 Year	2 Years (p.a.)	5 Years (p.a.)	10 Years (p.a.)	Since Inception (p.a.) ^^
GEMS C	-13.6%	11.1%	10.6%	12.7%	11.5%

Source: Ellerston Capital.

* The net return figure is calculated after fees & expenses. Past performance is not a reliable indication of future performance.

Performance

For the 3 Year period from August 31, 2019 to August 31, 2022, the compound annual returns for the Australian S&P/ASX 200 Total Return Index was +5.5%, the US S&P 500 Index was +12.4%, the Russell 2000 Index was +8.6% and MSCI World (Local) Index was +9.7%. **Your Fund net after fees returned +16.8%.**

Calendar Year to Date from January 1, 2022 to August 31, 2022, the Australian S&P/ASX 200 Index is down -3.6%, the US S&P 500 Index is down -16.1%, the Russell 2000 Index is down -17.2% and MSCI World (Local) Index is down -14.8%. **Your Fund is down net after fees -13.5%.**

For the Month of August 2022, the Australian S&P/ASX 200 Index was up 1.2%, the US S&P 500 Index was down -4.1%, the Russell 2000 Index was down -2.0% and the MSCI World (Local) Index was down -3.5%. **Your Fund returned net after fees +0.10%.**

The GEMS portfolio was up slightly for the month of August, generating a net return of +0.10%, during a month that saw commodity stocks perform very strongly enabling the Australian market to rise, while most global markets sustained material declines.

During the month, gains included Celsius, Cameco, Flutter, Occidental, Yellow Cake and Golar. Detraction from performance included Cellnex, Alphabet, Microsoft, Alcoa, Gold positioning, and Ralph Lauren. Hedging proved effective with stock specific shorts and US index shorts and puts contributing positively to performance.

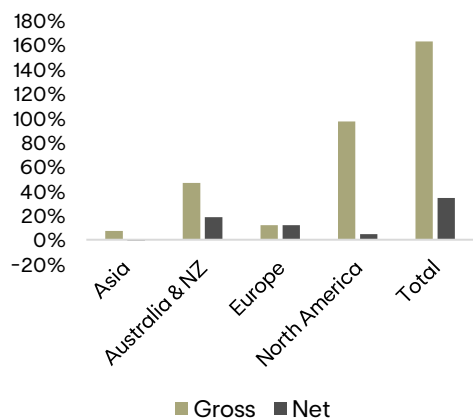
Outlook and Positioning

The next ten years is almost certain to be very unlike the last 10 years. The gale-force tailwinds of quantitative easing, zero interest rate policy and benign inflation are behind us. Positioning will be of paramount importance to generate strong returns with the appropriate risk reward skew. Value over Long Duration Growth. Cash Flow over Promises. Hard Assets and Real Businesses over Froth. While these dynamics have always resonated with us and been at the core of our investment style, we believe that they will be the drivers of returns for the broader market in the years ahead.

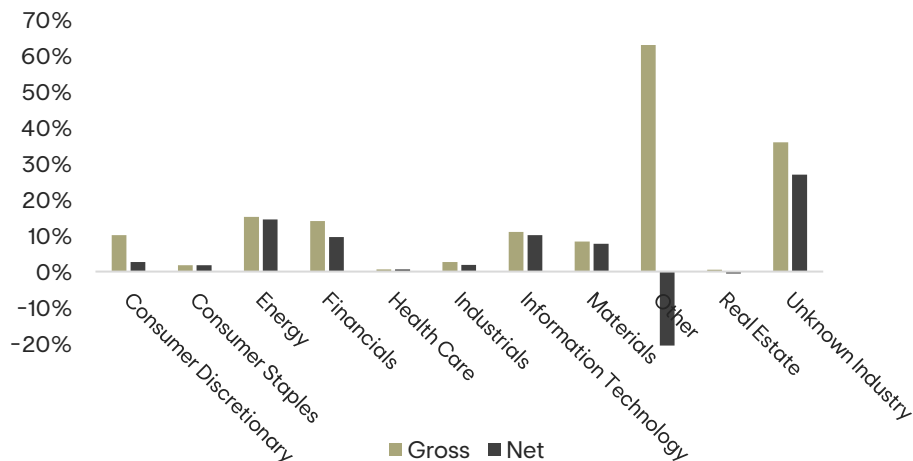
Global markets had a volatile month during August. There seems to be a consensus view that the risk to earnings has a one-way skew. Down! Everyone knows that Quantitative Tapering (QT) entered its full-strength phase in September. Impact so far – Benign. Ongoing impact – unknown. Inflation is a known issue. It's velocity and longevity is debated ad nauseum. The outcome is unknown. Central banks are hiking rates aggressively. The groundswell of hope for a US Federal Reserve (Fed) pivot remains consistent. No matter what the latest CPI number comes in at. And then there is the endless commentary around a recession. No doubt there will be one in time, but we don't know when. In the meantime, there is full employment, the restaurants are full, travel is strong, and retail seems to be doing ok. Doesn't feel like we are there yet. What is certain is these and other issues that are "Macro" have consumed all market participants, such that every data point can drive aggressive moves up or down, ensuring uncertainty and volatility. Lots of known issues, opinions and experts, with many unknown outcomes. The volatility has been very orderly, with no sense of panic. As the macro environment evolves it's a time to be cautious, constructive and opportunistic.

PORTFOLIO CHARACTERISTICS

Region Exposure



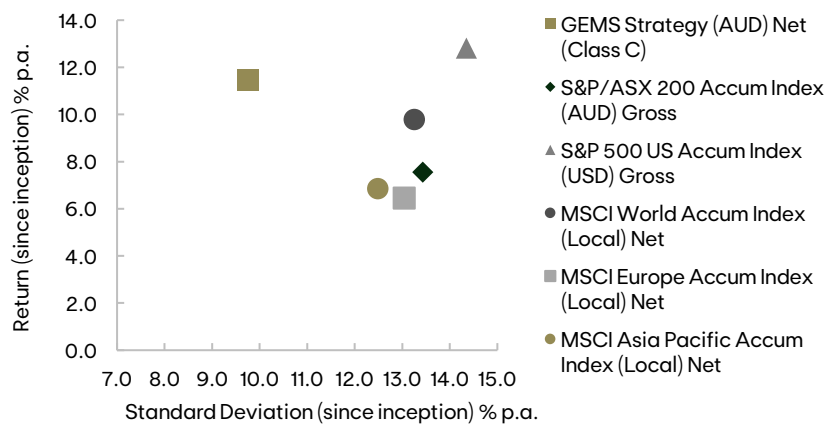
Sector Exposure



Source: Ellerston Capital.

Source: Ellerston Capital.

GEMS Strategy Performance & Volatility^A



Source: Ellerston Capital.

Past performance is not a reliable indication of future performance.

Top 10 Holdings (Alphabetical, Long Only)

- ALCOA
- ALPHABET
- CAMECO
- CELLNEX TELECOM
- FLUTTER ENTERTAINMENT
- GENERATION DEVELOPMENT GROUP
- MICROSOFT
- MONEY3
- OCCIDENTAL PETROLEUM
- YELLOW CAKE

Source: Ellerston Capital.

Regulatory Guide (RG240) Fund Disclosure Benchmark – Periodic Reporting (monthly)

- Net Asset Value of the Fund and Redemption Price of Units**

Please refer to details on P1.

- Any changes to key service providers including any change in related party status**

There have been no changes to key service providers, including any change in related party status.

- Net returns after fees, costs and relevant taxes**

Please refer to details on P1.

- Any material changes to the Fund's risk profile and strategy**

There have been no changes to the Fund's risk profile and strategy.

- Any material changes related to the primary investment personnel responsible for managing the Fund**

Please refer to details on P1; there have been no changes to the primary investment personnel responsible for managing the Fund

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Find out more

Should investors have any questions or queries regarding the Fund, please contact our Investor Relations team on **02 9021 7701** or **info@ellerstoncapital.com** or visit us at **ellerstoncapital.com**

All holding enquiries should be directed to our register, Link Market Services on **1800 992 149** or **ellerston@linkmarketservices.com.au**

[^] Actual performance for your account may vary from that set out in this newsletter and will vary for investments made in different classes, or at different times throughout the year. Some performance data is estimated and preliminary and subject to change.

The standard deviation is often used by investors to measure the risk of an asset. The standard deviation is a measure of volatility; the more an asset's returns vary from the average return, the more volatile the asset. A higher standard deviation means a greater potential for deviation of return from the average return of the asset. The returns and risk of the Fund and the relevant Indices are net of taxes, fees and expenses and assuming distributions are reinvested. The performance figures presented are for the Ellerston Global Equity Managers Fund GEMS C Units. The one month return figure may be an estimate and not the final return. This estimate also impacts other performance information provided. Estimated performance figures are preliminary and subject to change. Returns for other classes may differ slightly. Past performance is not indicative of future performance. This report has been prepared by Ellerston Capital Limited ABN 34 110 397 674 AFSL 283 000, as the responsible entity of the Ellerston Global Equity Managers Fund ARSN 118 887 095 without taking account the objectives, financial situation or needs of individuals. Before making an investment decision about the Fund persons should read the Fund's Product Disclosure Statement and Target Market Determination (TMD) which can be obtained from the Manager's website www.ellerstoncapital.com or by contacting info@ellerstoncapital.com and obtain advice from an appropriate financial adviser. Units in the Fund are issued by Ellerston Capital Limited ABN 34 110 397 674 AFSL 283 000. This information is current as at the date on the first page. This material has been prepared based on information believed to be accurate at the time of publication. Assumptions and estimates may have been made which may prove not to be accurate. Ellerston Capital undertakes no responsibility to correct any such inaccuracy. Subsequent changes in circumstances may occur at any time and may impact the accuracy of the information. To the full extent permitted by law, none of Ellerston Capital Limited ABN 34 110 397 674 AFSL 283 000, or any member of the Ellerston Capital Limited Group of companies makes any warranty as to the accuracy or completeness of the information in this newsletter and disclaims all liability that may arise due to any information contained in this newsletter being inaccurate, unreliable or incomplete. Past performance is not a reliable indicator of future performance.