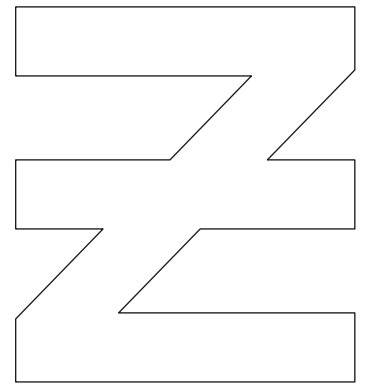


Ellerston Global Equity Managers Fund (GEMS) Class C



Monthly Newsletter, November 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	\$1.5511
NAV Price	\$1.5472
Redemption Price	\$1.5433
Gross Exposure	129.46%
Net Exposure	56.79%
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)*	FYTD (5 Months)	3 Years (p.a.)	5 Years (p.a.)	10 Years (p.a.)	Since Inception (p.a.) ^^
GEMS C	-1.4%	14.5%	7.7%	12.2%	11.1%

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 November 30, 2019 to November 30, 2022, the compound annual returns for the Australian S&P/ASX 200 Total Return Index was +5.9%, the US S&P 500 Index was +10.9%, the Russell 2000 Index was +6.4% and MSCI World (Local) Index was +8.4%.

Your Fund net after fees returned +14.5% pa.

For the Month of November 2022, the Australian S&P/ASX 200 Index was up +6.6%, the US S&P 500 Index was up +5.6%, the Russell 2000 Index was up +2.3% and the MSCI World (Local) Index was up +5.7%.

Your Fund returned net after fees +3.4%.

The GEMS portfolio performed strongly during the month of November, generating a net return of +3.4%, during a strong month for global equity markets.

The long portfolio delivered great returns, in spite of the performance decrement from the consistent hedging strategy. During the month gains were again broad based and included Alcoa, Celsius, Light and Wonder, Freeport McMoran, Howden Joinery, Booking Holdings, Ralph Lauren, and Zalando. Detraction from performance was driven primarily by hedging and some long positions including, LSB Industries, Golar, and Uranium thematic positions.

A lot of the monthly market moves can be credited to one single inflation print in the US showing price pressure has at least peaked in the short term. Chinese stocks soared and European markets outperformed US markets. The Midterms in the US were pretty much a nonevent despite some surprising results. November also brought about a fiasco in the Crypto ecosystem with the blowup of FTX, which went from a delusional \$32bn valuation to pretty much \$0 in one single day. A worthy reminder of this comment from Jeremy Grantham in January this year,

"Cryptocurrencies leave me increasingly feeling like the boy watching the naked emperor passing in procession. So many significant people and institutions are admiring his incredible coat, which is so technically complicated and superior that normal people simply can't comprehend it and must take it on trust. I would not."

We remain focussed on generating returns, driven by idiosyncratic stock selections that have compelling risk/reward skews. This is combined with a hedging strategy that aims to enable capital preservation during volatile periods. We remain cautious but constructive, and open minded while invested in a portfolio of strong companies.

Macro Commentary

Hopes that the US Federal Reserve (Fed) is about to slow the pace of rate rises and the ongoing hope of a Fed pivot were back in play during November. This is in the face of Chair Powell and others in the Fed ecosystem continuously and consistently reiterating that they will stay the course with the fight against inflation and rates will go higher. New York Fed president John Williams and St Louis Fed president James Bullard during the first week of December suggested that despite its aggressive monetary tightening campaign and cooler than expected consumer price figures in October, the Fed still had work to do in its fight against inflation. Among the most vocal officials warning against wishful thinking over inflation have been Loretta Mester of the Cleveland Fed and governor Christopher Waller, who have argued the central bank needs to see much stronger evidence that price pressures are easing to be sure it has inflation under control. They, along with James Bullard of St Louis and Neel Kashkari of Minneapolis, have said the Fed is not yet close to pausing its rate rises.

Powell made the following comments during a speech on 30 November 2022.

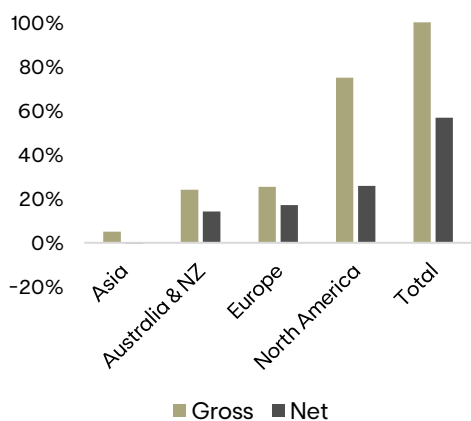
*"While October inflation data received so far showed a welcome surprise to the downside, these are a single month's data, which followed upside surprises over the previous two months. By any standard, inflation remains much too high." "Cutting rates is something we don't want to do soon, so that's why we are slowing down." **"It is likely that restoring price stability will require holding policy at a restrictive level for some time. History cautions strongly against prematurely loosening policy. We will stay the course until the job is done."***

<https://www.Federalreserve.gov/newsevents/speech/powell20221130a.htm>

We look forward to providing you with a more in depth half year update in January, and wish you all happy holidays, and a great 2023!

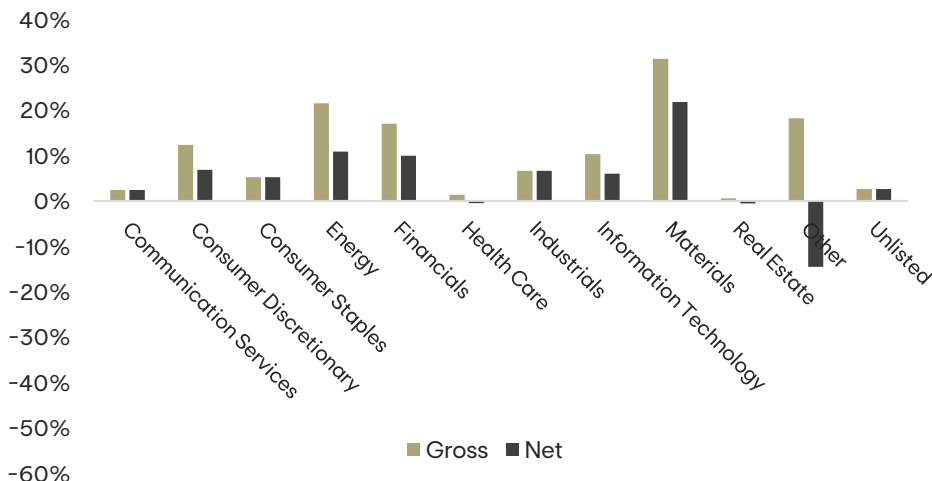
PORTFOLIO CHARACTERISTICS

Region Exposure



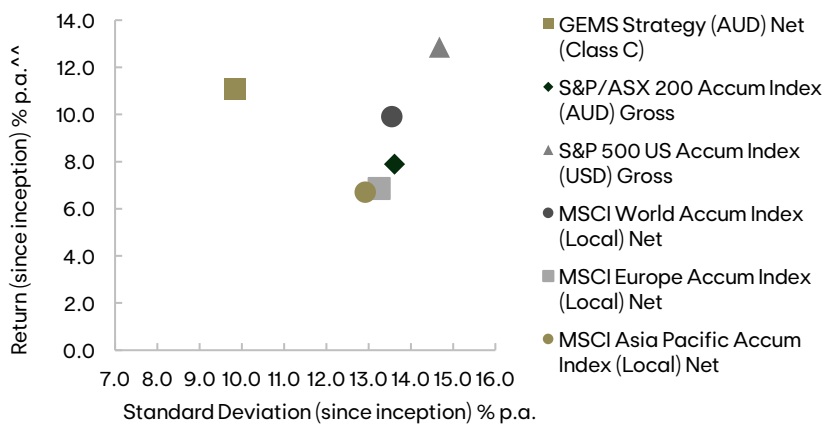
Source: Ellerston Capital.

Sector Exposure



Source: Ellerston Capital.

GEMS Strategy Performance & Volatility^^



Source: Ellerston Capital.

Past performance is not a reliable indication of future performance.
^^Inception Date 1 December 2009.

Top 10 Holdings (Alphabetical, Long Only)

- ALCOA
- BOOKING HOLDINGS
- BP PLC
- CELCIUS HOLDINGS
- HOWDEN JOINERY
- LIGHT AND WONDER
- LSB INDUSTRIES
- LYNAS CORP
- MONEY3
- ROYAL DUTCH SHELL

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 holdings enquiries should be directed to our register, Automic Group on 1300 101 595 or **ellerstonfunds@automicgroup.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.