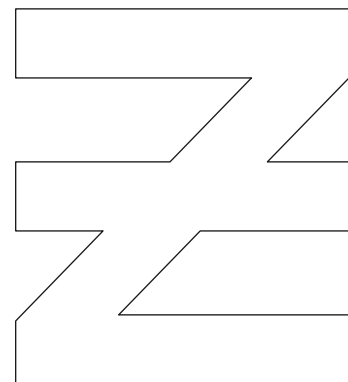


Ellerston Global Equity Managers Fund (GEMS) Class C



Monthly Newsletter, March 2023

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	\$1.4416
NAV Price	\$1.4381
Redemption Price	\$1.4345
Gross Exposure	101.5%
Net Exposure	55.4%
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	2 Years (p.a.)	3 Years (p.a.)	5 Years (p.a.)	10 Years (p.a.)	Since Inception (p.a.)^^
GEMS C	-8.4%	-8.3%	11.3%	5.3%	10.7%	10.2%

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 March 31, 2020 to March 31, 2023, the compound annual returns for the Australian S&P/ASX 200 Total Return Index was +16.5%, the US S&P 500 Index was +18.6%, the Russell 2000 Index was +17.5% and MSCI World (Local) Index was +16.7%.

Your Fund returned +11.3% pa (after fees).

For the Month of March 2023, the Australian S&P/ASX 200 Index was down -0.2%, the US S&P 500 Index was up +3.7%, the Russell 2000 Index was down -4.8% and the MSCI World (Local) Index was up +2.5%.

Your Fund returned -0.8% (after fees).

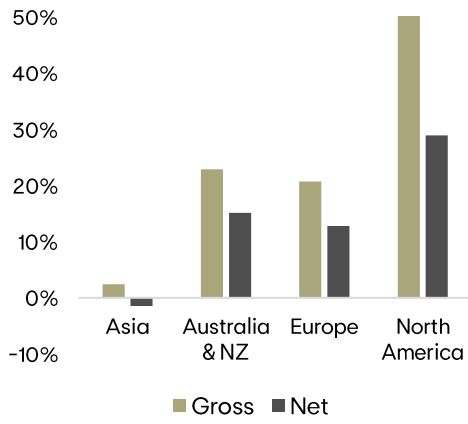
Portfolio Commentary

"The stock market stops panicking when central banks start to panic." In 2008/09, monetary and government officials spent months debating the appropriate policy response to the sub-prime mortgage crisis and its derivative impacts. Quantitative Easing and the magnitude of TARP at the time were unheard of policy tools. Whilst, the root cause of banking stresses in March 2023 at Silvergate, SVB, Signature Bank and Credit Suisse were different from the root issues of the GFC, what is notable, is just how quickly policymakers moved to provide liquidity and contain systemic risk. In back to back weekends during the month of March, policymakers on both sides of the Atlantic, created packages and solutions in a matter of days to deal with the respective issues.

So what are the lessons to learn from these stress events? We're very cognizant of the risks that stem from incorrectly marked assets. We've already seen Blackstone and KKR gate real estate funds, the held-to-maturity accounting policies of banks created substantial unrealised losses on bank's balance sheet. Mismarked assets can potentially be managed in a benign market environment, however, once a few market participants demand liquidity it can unleash a domino effect of repricing. This dynamic is quickly exacerbated given inherent financial leverage, with gearing ratios and debt covenants dependent on asset values. Commercial real estate is the textbook example of this issue, but similar could be said for private equity, venture capital, private credit, etc. Asset price volatility is a necessary consequence of pricing cashflows in the future, as the future is by definition, uncertain. In sum, we remain wary of the inherent risks created from volatility suppression.

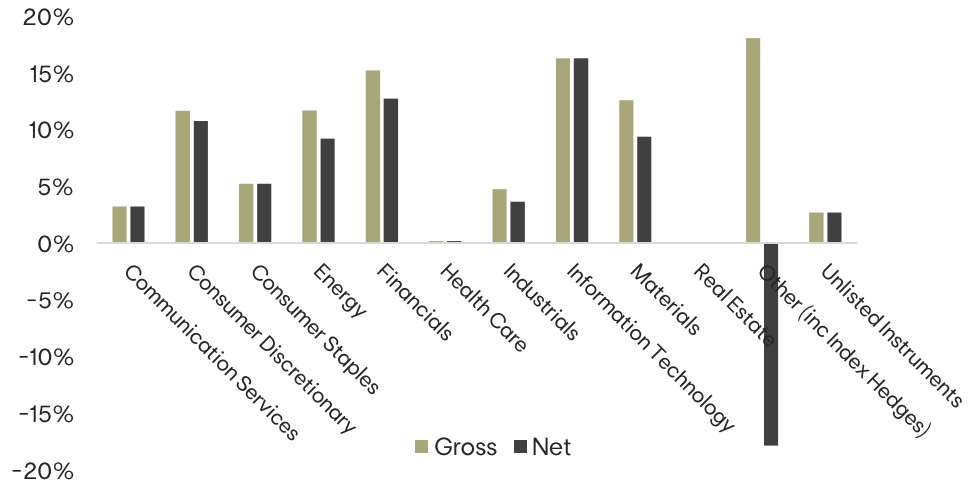
PORTFOLIO CHARACTERISTICS

Region Exposure



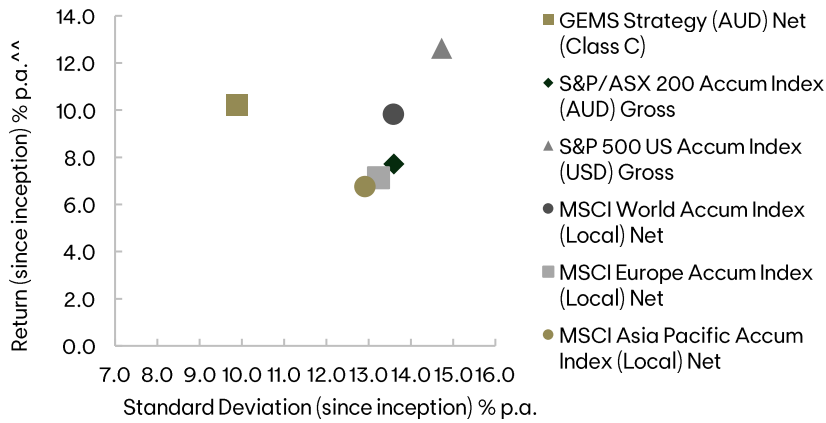
Source: Ellerston Capital.

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)

- BOOKING HOLDINGS
- CALUMET SPECIALTY PRODUCTS PARTNERS
- CELSIUS HOLDINGS
- FLUTTER ENTERTAINMENT
- GOLAR LNG
- LIGHT AND WONDER
- META PLATFORMS
- MICROSOFT
- SOITEC
- VANECK VECTORS GOLD MINERS

Source: Ellerston Capital.

- **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.

Contact Us

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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.