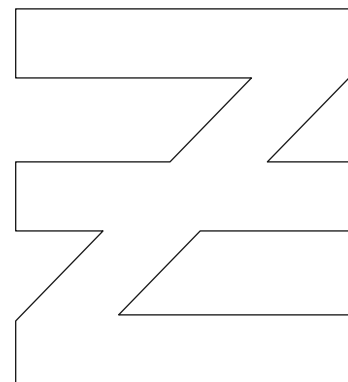


# Ellerston Global Equity Managers Fund (GEMS) Class C



## Monthly Newsletter, June 2024

### 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 Manager	Ashok Jacob
Application Price	\$1.6266
NAV Price	\$1.6225
Redemption Price	\$1.6184
Current Total NAV	\$96,462,783
Gross Exposure	120%
Net Exposure	55%
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*	FY24	FY23	FY22	FY21	5 Years (p.a.)	10 Years (p.a.)	Since Inception^^ (p.a.)
GEMS C	11.1%	-7.0%	-13.5%	58.6%	11.2%	10.4%	10.2%
MSCI WI**	21.3%	18.2%	-11.1%	36.9%	12.5%	10.3%	10.9%
ASX200***	12.1%	14.8%	-6.5%	27.8%	7.3%	8.1%	7.9%

Performance*	1 Month	3 Months	1 Year
GEMS C	-2.0%	-2.0%	11.1%
MSCI WI**	2.3%	3.0%	21.3%
ASX200***	1.0%	-1.1%	12.1%

Source: Ellerston Capital.

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

\*\*MSCI World Index – Net Return Unhedged in Local Currency

\*\*\* S&P/ASX 200 - Total Return

### PORTFOLIO COMMENTARY

Market returns were generally positive across the major indices for the month of June. Weakness was experienced in the commodity markets and Europe during the month. This later impacted our returns for the month with the Fund delivering a negative return to reduce our Financial Year return.

The current market environment appears to be more uncertain now than it has been for most of 2024. Despite overall rising indices, many stocks and sectors are diverging from this trend and the market breadth has narrowed over the last couple of months. That combined with falls in commodity prices points to a greater level of economic uncertainty that central banks can navigate the path to a soft landing which the market craves. Therefore, we may see some more volatility in the markets in the coming months than has been the case since markets commenced a broad rally from October last year. Inflation continues to remain higher than previously forecast, which is preventing the reduction in interest rates that some weakening of economic data would potentially necessitate. The Federal Reserve continues to push the line that they will cut rates this year and this remains the base case for the market, although the number of cuts is the key variable. Weakening of economic growth would necessitate a reduction in interest rates so inflation data remains the key to these commencing.

After the upward moves in Uranium and Copper we have reduced our holdings in this area as the market is likely to go through a period of consolidation which we are presently seeing with the current pull back in prices after a period of rapid upward moves. Gold, Platinum and Palladium holdings are generally unchanged from March 2024, with some small moves in individual holdings. Our longer term thematic is unchanged in these spaces, but commodities are often volatile, and our weightings may vary significantly as we manage our holdings proactively.

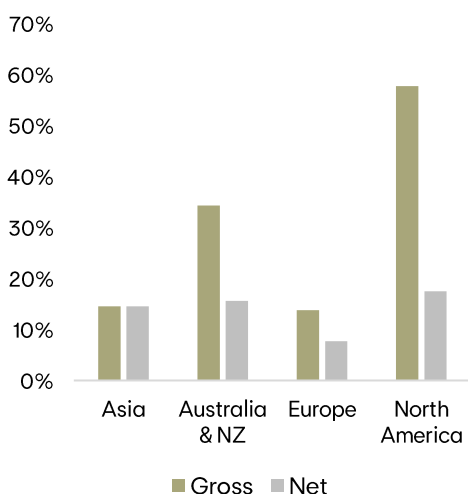
## Monthly Performance

Positive performance for the month was led by Vodafone Idea in India which has now contributed significantly to performance since we entered this investment via a recapitalisation in April this year. Also in Asia, our holdings in SK Hynix (South Korea) and DPC Dash (Domino's in China) contributed positively. In North America, Light & Wonder rose following good industry statistics out of Las Vegas, GFL Environment bounced on news of private equity interest and/or divestment of their Environmental Solutions Unit which would de-gear the business significantly which has been a market concern. In Australia, Generation Development rose after undertaking a placement to buy the other 50% of Zenith that they didn't own. Strike Energy was of our few commodity names to rise for the month and a small trading holding in Drone Shield contributed positively.

The biggest drag on performance for the month was in our resource holdings where downward moves in Sprott Physical Uranium, Chalice Mining and Teck Resources hurt us the most. A number of other smaller moves downwards contributed to a cumulative net loss for the month in this space. The European markets were also weak on political and geopolitical concerns leading to a net loss from our holdings in this area. In North America, Alcoa gave back most of the gains from May and Celsius Holdings fell due to softening retail demand in the energy drinks market in North America. Within Asia, Didi Global and Adani Energy were detractors from performance.

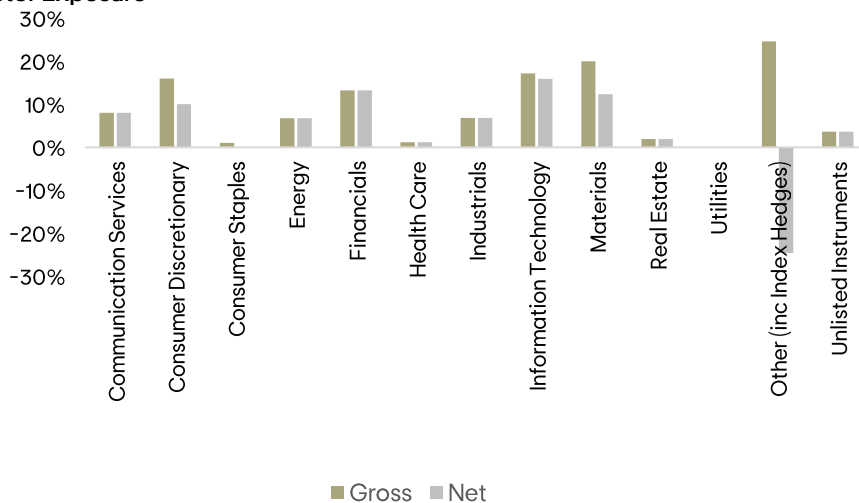
## PORTFOLIO CHARACTERISTICS

### Region Exposure



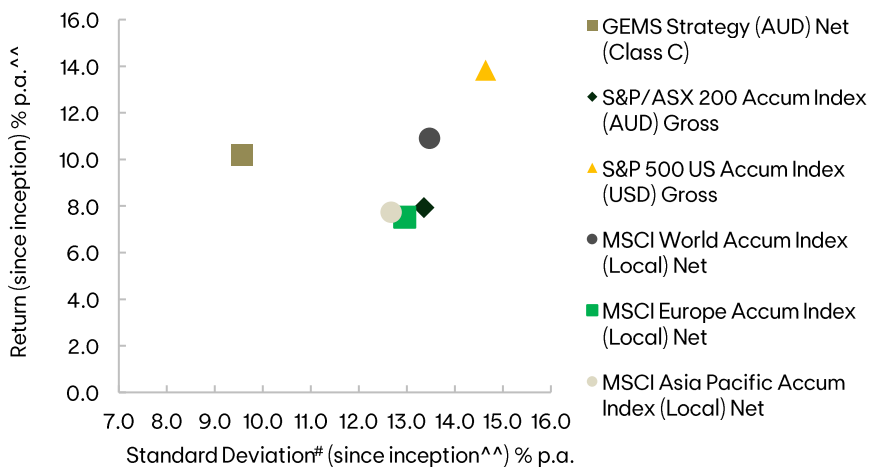
Source: Ellerston Capital.

### 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)

- AMAZON.COM INC
- CRH PLC
- GENERATION DEVELOPMENT GROUP LIMITED
- LIGHT AND WONDER INC
- META PLATFORMS INC
- MICROSOFT CORP
- NETFLIX INC
- SITEMINDER LTD
- SPROTT PHYSICAL PLATINUM AND PALLADIUM TRUST
- VODAFONE IDEA LTD

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 page one.

- **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 page one.

- **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.**

There have been no changes to the primary investment personnel responsible for managing the Fund.

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### 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](mailto:info@ellerstoncapital.com)** or visit us at **[ellerstoncapital.com](http://ellerstoncapital.com)**

All holdings enquiries should be directed to our registry, Automic Group on 1300 101 595 or **[ellerstonfunds@automicgroup.com.au](mailto:ellerstonfunds@automicgroup.com.au)**.

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<sup>^</sup> 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.

<sup>#</sup> 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.

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