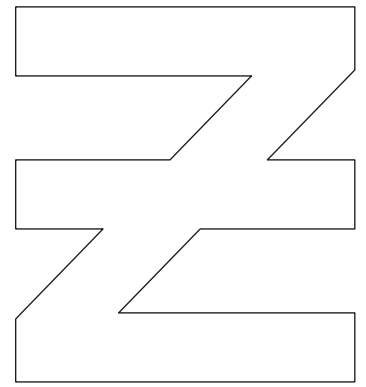


Ellerston Global Equity Managers Fund (GEMS) Class C



Monthly Newsletter, August 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 | \$1.6280 |
| NAV Price | \$1.6239 |
| Redemption Price | \$1.6198 |
| Current Total NAV | 96,799,288 |
| Gross Exposure | 129% |
| Net Exposure | 83% |
| Unit Pricing | Monthly |
| Management Fee | 1.50% (p.a.) |
| 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% | 10.5% | 9.9% | 10.1% |
| MSCI WI** | 21.3% | 18.2% | -11.1% | 36.9% | 13.4% | 10.5% | 11.0% |
| ASX200*** | 12.1% | 14.8% | -6.5% | 27.8% | 8.1% | 8.0% | 8.2% |

| Performance* | 1 Month | 3 Months | 1 Year |
|--------------|---------|----------|--------|
| GEMS C | -0.5% | -1.9% | 8.4% |
| MSCI WI** | 1.9% | 5.5% | 23.8% |
| ASX200*** | 0.5% | 5.7% | 14.9% |

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

The significant swing in markets during August made it difficult to deliver a positive return for the month, with the fund ending down 0.5%. Predominantly we were caught out by the recovery of markets from the lows of early August to ending up by the end of the month. Outside of Australia, which was the main positive contributor for the month, many of our holdings fell for the month despite overall markets rising, which resulted in the unenviable position of often having negative alpha from hedging and the long portion of the fund. This impact did reverse towards the end of the month allowing a catch up of most of the under-performance.

Australia

Contributions for the month were driven by large swings in share price as companies announced their results for FY24 and provided outlook statements for all or part of FY25. Positive contributors for the month were Humm Group (Financial Services), HiPages (Trade Services App) and Orora (Packaging). Humm and HiPages both announced results that were ahead of market expectations and pointed to improved outlooks for FY25. Orora was subject to a bid by Private Equity which was rejected by the company, but which should provide a level of support for the share price. Negative impacts were felt by Insignia Group (Financial Services), Cooper Energy (Gas) and Siteminder (Hotel Software). Insignia reversed the gains of July after announcing a cut in the dividend which was a surprise to the market. Cooper fell on no major new information from the full year result and Siteminder after guiding to a weaker H1'FY25 followed by a stronger CY25 on new product launched.

North America

Netflix (Streaming Service), GFL Environmental (Waste Management) and the Van Eck Gold Miners ETF were the largest positive contributors to performance with Nexgen Energy (Uranium Developer), Light & Wonder (Gaming Machines) and Amazon (Online and Data Centres) the largest detractors. Netflix and GFL both printed quarterly results that were ahead of expectations, whilst Amazon was below and Light & Wonder in line with analyst expectations. The upward move in Gold for the month was positive for the ETF and Nexgen was impacted by a higher than expected increase in the estimated capex build for their project in Canada.

Europe

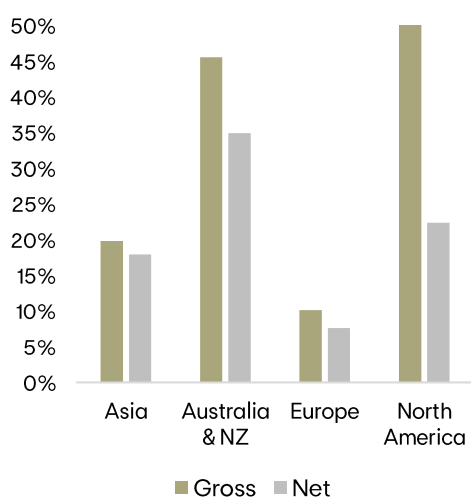
Cellnex (Mobile Phone Towers) benefited from the fall in bond yields as an infrastructure operator with a high level of debt. On the downside Travis Perkins (Building Materials Distribution) gave back some of the gains from July.

Asia

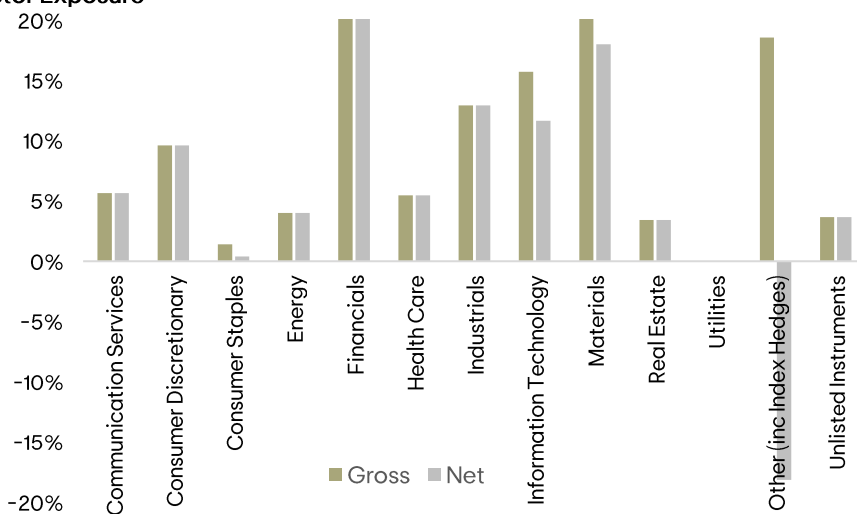
Bank Rakyat Indonesia (Banking), Welspun (Indian pipe manufacturer) and Ayala Land (Philippine land developer) were the main positive contributors for the month. Welspun continued its positive run from last month and we have added some SE Asian exposure to the Fund on the expectation that the Federal Reserve will commence cutting rates which will be positive for these markets. Negative contributions came from Samsung Electronics (South Korea chip maker), Vodafone Idea (India Mobile operator) and TSMC (Taiwan chip maker). Samsung and TSMC were weak on concerns around the chip cycle, but we think these concerns are currently overdone. Vodafone was weaker on profit taking which we have also done, significantly reducing our position size.

PORTFOLIO CHARACTERISTICS

Region Exposure



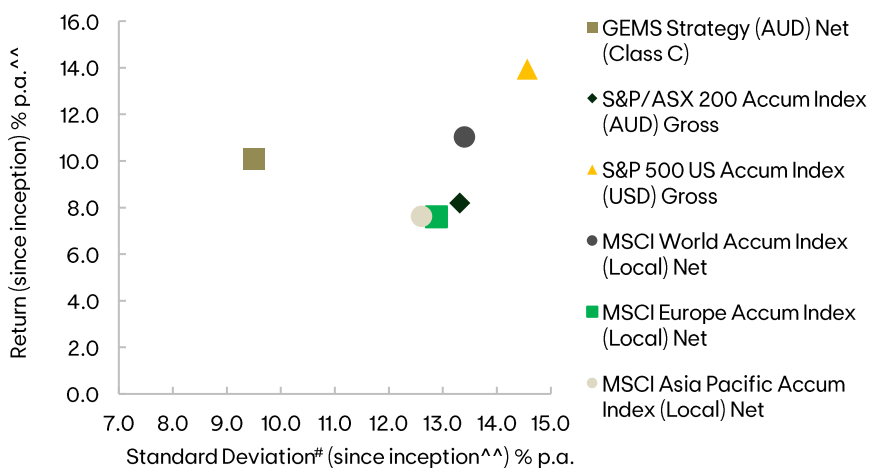
Sector Exposure



Source: Ellerston Capital.

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)*

- APPLE INC
- GENERATION DEVELOPMENT GROUP LIMITED
- GFL ENVIRONMENTAL INC
- HUMM GROUP LTD
- INSIGNIA FINANCIAL LTD
- LIGHT AND WONDER INC
- MICROSOFT CORP
- NETFLIX INC
- SITEMINDER LTD
- SPROTT PHYSICAL PLATINUM AND PALLADIUM TRUST

Source: Ellerston Capital.

* The Top holdings is listed companies

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.

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 registry, 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.

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