Ellerston Equity Income KIS Fund

Ellerston Capital

Monthly Report as at 31 October 2025

APIR Code: ECL7259AU | ARSN 662 683 123

Concentrated portfolio of 30-40 Australian listed securities that display stable and growing dividend streams.

Looks beyond traditional "income sectors" (e.g., banks and telecoms), recognising "cyclical sectors" are now experiencing structural shifts towards the provision of more reliable income.

Aims to provide investors with returns and income growth greater than the Benchmark over rolling five-year periods.

Performance Summary

Performance	1 Month*	FYTD 2026	1 Year	3 Years (p.a.)	5 Years (p.a.)	Since Inception (p.a.) ^^
Income pre-franking[1]	0.0%	0.1%	7.0%	7.9%	10.4%	8.1%
Capital[1]	-1.0%	10.5%	-5.9%	-0.5%	-1.2%	-0.2%
Fund Net Return^	-1.0%	10.6%	1.1%	7.4%	9.2%	7.9%
Benchmark**	0.4%	5.1%	12.5%	13.1%	12.6%	9.4%
Alpha (pre-franking credits)	-1.4%	5.5%	-11.4%	-5.7%	-3.4%	-1.5%

[1]Indicative and preliminary in nature. Subject to change pending potential distribution calculations.
^The net return figure is calculated after fees & expenses, assuming all distributions are reinvested.
**The 1-month Income pre-franking figures in Jan, Feb, Apr, May, July, Aug, Oct and Nov include accrued but not distributed income, as the Fund only distributes quarterly where available.*
*** S&P/ASX 200 Accumulation Index. ^^Inception date is 1 May 2019. Past performance is not a reliable indication of future performance.*

Key Information

Portfolio Manager	Chris Kourtis
Investment Objective	To provide investors with returns and income growth greater than the Benchmark over rolling five-year periods.
Benchmark	S&P/ASX 200 Accumulation Index
Liquidity	Daily
Target Number of Holdings	30-40
Minimum Investment	Initial investment - $10,000 Additional investment - $5,000
Distribution Frequency	Quarterly (where available)
Management Fee	0.70% p.a.
Performance Fee[1]	10.00%
Buy/Sell Spread	0.25% / 0.25%
Platform Availability	HUB24, Netwealth, Praemium
Lonsec Rating[2] SQM Rating[2]	Recommended Superior / 4.25 Stars

[1]Of the investment return above the Benchmark, after recovering any underperformance in past periods.
[2]Lonsec Rating assigned 15 November 2024. SQM Rating assigned 11 October 2024.

The Team

Chris Kourtis
Director & Portfolio Manager

41 years of industry experience.

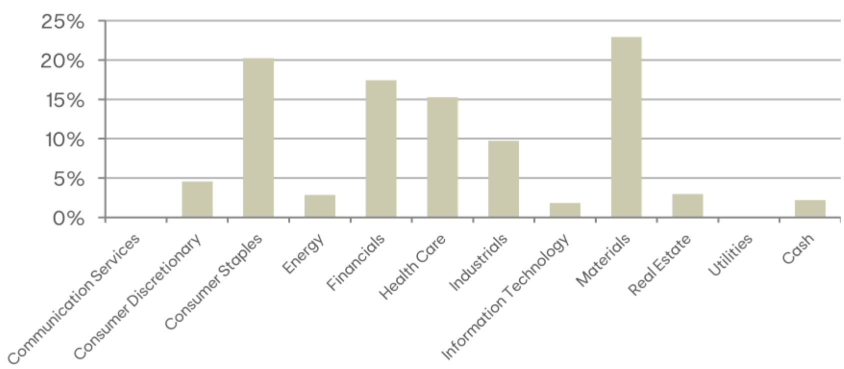
Stephen Giubin
Senior Investment Analyst

38 years of industry experience.

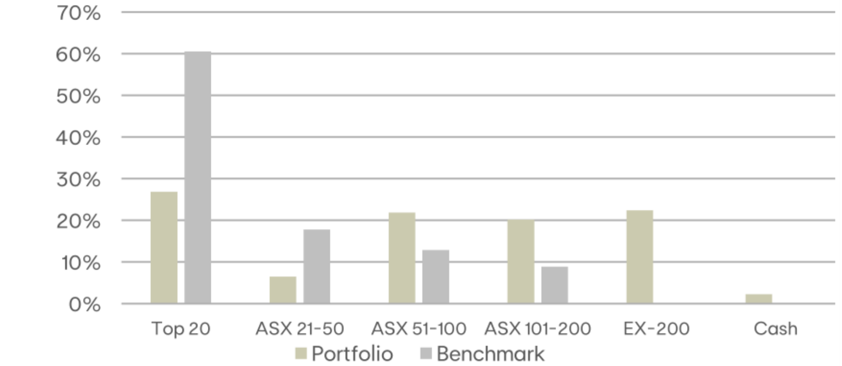
FY26(e) Key Portfolio Metrics	Fund	Benchmark
Grossed Up Dividend Yield (%)	**6.8**	**4.2**
Dividend Yield (%)	5.5	3.2
Price/Earnings (x)	13.8	19.3

Source: Ellerston Capital.

Sector Allocation



Exposure by Market Capitalisation



Source: Ellerston Capital.

Top 5 Holdings*

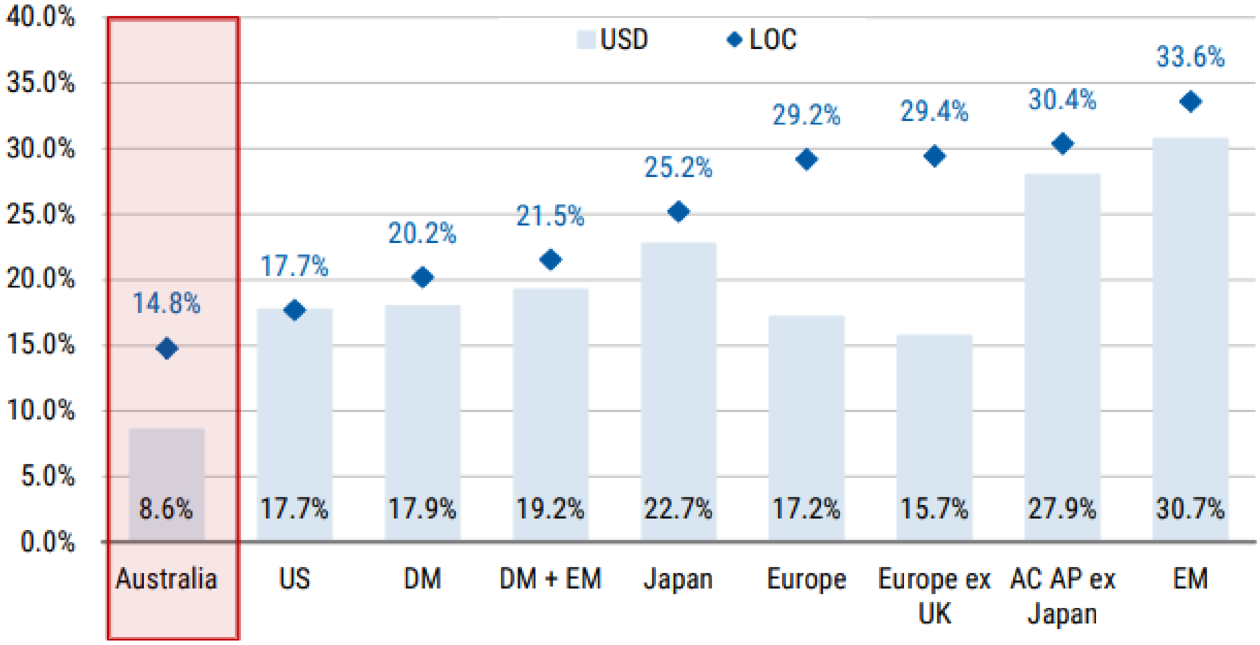
Amcor
Aurizon
BHP
CSL
Treasury Wine Estates

** In alphabetical order.*
Source: Ellerston Capital.

MARKET OVERVIEW

Global equity markets continued their upward trend in October, fuelled by a positive Q3 US reporting season and the FOMC's second rate cut this calendar year. The MSCI World Index rose 2.6%, whilst the MSCI Emerging Markets Index powered ahead to close +4.6% in local currency terms. The S&P 500 delivered a solid +2.3% return, posting another all-time high. Within the MSCI World Index, Information Technology (+6.7%) outperformed and Health Care (+3.7%) also topped the global sector performance tables, with Real Estate (-2.0%) being the major laggard. Closer to home, the S&P/ASX200 index was up 0.4% for the month of October, underperforming global and regional peers. The best sectors locally were Materials (+4.3%) and Energy (+3.7%), with Information Technology (-8.4%) by far the worst performing.

MSCI Global Country/Regional Indices Performance for October CYTD



Source: Morgan Stanley.

USA

The key focus for markets in October was the FMOC meeting, whereby the Federal Reserve lowered the target range for its federal funds rate by 25 bp to 3.75-4.0%, its second cut in 2025. Chair Powell emphasised that "the downside risks to employment appear to have risen in recent months and a further reduction in the policy rate at the December meeting is not a foregone conclusion. Far from it. Policy is not on a pre-set course". A breakthrough in US-China trade tensions dominated news headlines towards month end, with President Trump and President Xi reaching an agreement that lowered tariffs and paused the rare earths dispute. This occurred against the backdrop of the US government shutdown that started on 1 October and blocked the release of critical economic data throughout the month, leaving markets and policymakers operating with limited visibility.

As the US earnings season rolled on, big tech dominated proceedings in the last week of the month, with MSFT, AMZN, AAPL, GOOGL and META all reporting their quarterly results. The Mag7 positioning was at peak levels going into result's season, while NVDA momentarily became the first ever US$5 trillion market cap company, with high expectations built in. Against that backdrop, share price responses were mixed, with GOOGL and AAPL leading the charge following their prints, while META fell -11% after delivering a broadly inline result, but disappointing on their higher capex guidance. In the upshot, the NASDAQ Composite index significantly topped the performance tables, finishing up 4.7%, followed by the Dow Jones Industrial Average (+2.6%), the S&P 500 (+2.3%), with the small cap Russell 2000 Index closing up only +1.8%. The best performing sectors were Information Technology

(+6.2%), Health Care (+3.6%) and Consumer Discretionary (+2.4%). Conversely, the worst performers were Materials (-5.0%), followed by Financials (-2.8%) and Real Estate (-2.6%).

Europe

Euro-zone stocks were in line with global peers in October, with the Euro STOXX50 Index up 2.5%. The ECB kept its key deposit rate at 2%, despite annual price growth rising to 2.2% across the 20-member euro bloc in September, up from 2% in August. Among the major exchanges, the FTSE 100 rose 4.1%, France's CAC 40 was 3.0% higher (despite the Socialist Party's proposed amendments to the current budget and its ballooning deficit) and Germany's DAX rose 0.3%.

Asia

Following the US-China trade talks in Malaysia on October 25-26, President Xi and President Trump met on October 30 and agreed to a series of conciliatory measures to ease trade tensions. These measures included both sides rolling back most escalations of the trade tensions which unfolded in September and early October. The suspension period of pending reciprocal tariffs was pushed out by a year and the US halved the fentanyl related tariffs on Chinese goods. In response, China also postponed their new rare earth control rules announced on October 9 by one year. Both the South Korea and Japanese equity markets reacted strongly from the announced truce. As well, the appointment of Sanae Takaichi as Japan's first female prime minister was very well received. She quickly announced measures to counter inflation, accelerate the timeline for increased defence spending and unveiled growth strategies for cutting-edge industries and finance. Korea's KOSPI rallied an astonishing +19.9% in the month of October, followed by Japan's Nikkei (+16.7%) and India's SENSEX (+4.7%). China's SSE (+0.4%) and the Hang Seng, which dropped -3.5%, were clear laggards in the Asian region.

Commodities

Commodities were stronger during the month. The iron ore benchmark price rose 3% to US$107/tonne, coking coal edged 3% higher to US$197/tonne, thermal coal rose 3% to US$105/tonne and Brent crude ended the month down 2% to $65/barrel, on expectations that OPEC+ would agree to a small production increase at their next meeting. Key base metal prices strengthened, with aluminium up 7%, copper squeezing 6% higher and nickel flat. Spodumene prices shot up by 19% due to Chinese restocking activity after their Golden Week holidays and rare earths NdPr prices pared back by 5%. The bullion price continued its strong ascent, hitting an all-time high of US$4356/oz (up 13%), before easing global tensions in the Middle East and a rebounding greenback drove a correction towards month end. The yellow metal finished at US$4003/oz (A$6114/oz), delivering a whopping +53% CYTD performance.

Bonds

US treasuries were well behaved, with the US 10-year bond yield finishing 7bp lower to 4.08%. This was against a backdrop of the Fed cutting by another 25bps to take out downside risks to the labour market. The Australian 10-year bond yield remained steady at 4.30% and the A$ was 1% lower at US$0.65.

Australia

The RBA meeting in September unanimously held the cash rate unchanged at 3.60%, as widely expected. A weaker employment number of 4.5%, higher than the previous print of 4.3%, raised market expectations of two more cuts this year. However, a surprisingly frothy print for the September CPI which came in well ahead of consensus expectations (headline 3.2%YoY and core trimmed mean at 3.0%YoY), has all but erased those hopes. The data showed a broad-based lift in inflation across the most persistent parts of the basket, namely market services and construction costs, both a key concern for the RBA.

Australian equities again lagged global peers, with the S&P/ASX 200 Accumulation Index ending up a more modest +0.4%, but finishing well off its highs of 9095, having peaked on October 21st, before retreating in the final week from the hot inflation print and a more hawkish anticipated reaction from the RBA. Resources provided the support necessary for the market to reset records, with the ASX 200 Resources returning 4.0% and Small Resources 3.1% for the month. Materials (+4.3%) was again the best performing sector, driven by another powerful rally in mining stocks, with a strong rebound in lithium companies, led by Pilbara Minerals (+31.0%) and Liontown Resources (+19.3%). Energy (+3.7%) was the next best performer, followed by Financials (+1.5%) led by HUB24 (+13.3%) which delivered strong 1Q26 platform net inflows of $5.2bn, 20% higher than consensus.

Information Technology was the worst performing sector (-8.4%), dragged down by WiseTech Global's ongoing woes (-23.4%), followed by Consumer Discretionary (-6.8%, with Wesfarmers missing numbers) and the Health Care sector (-4.8%, driven by another surprise downgrade by CSL).

In October, the top stocks that made a positive contribution to the Index's return were mainly banks and mining stocks, namely ANZ Group (+37bp), CBA (+29bp), BHP(+17bp), Fortescue (+16bp), and Rio Tinto (+15bp). Conversely, the bottom five stocks detracting from the Index's performance were Wesfarmers (-34bp), CSL (-33bp), WiseTech Global (-16bp), Aristocrat Leisure (-15bp) and Pro Medicus (-9bp). The ASX Small Ordinaries pipped the ASX200 again by an impressive 1.5%, delivering a total return of 1.9%, with the Small Resources again doing the heavy lifting, returning +3.1% compared to the Small Industrials, which returned +1.4%.

COMPANY SPECIFIC NEWS

The Market Hits

Domino's Pizza Enterprises (DMP +35.9%)

The market reacted positively to the appointment of Dieter Haberl as CEO for Domino's Japan. Dieter brings more than 25 years of chief executive experience in Japan's consumer-facing brands, at companies including Toys R Us, Reebok, and Lacoste. This appointment helped lift DMP's share price from its 10-year low of $13.25, with investors hoping that new management will turn the ship around. As it panned out towards month end, a press story that Bain Capital was considering a buyout of DMP in a deal worth up to $4bn pushed its stock price up 7%. DMP confirmed that, as far as it was aware, it has not received any proposal from Bain Capital, nor had the company had any communication with that organisation. Despite DMP's comments, the share price kept squeezing higher. Investors could smell the smoke, praying there was fire behind it.

Pilbara Minerals (PLS +31.0%) / Liontown Resources (LTR +19.3%)

PLS reported a strong operational quarter with production 6% better than consensus, with realised pricing a solid 9% beat and costs 7% lower than expectations. The drivers were a big step up in plant recoveries (78% versus 72% in 4Q25) and a lift in spodumene grade back up to 5.3%, compared to 5.1% in 4Q25, as flagged. LTR also delivered stronger production and lower costs, but the tailwind was this month's 19% surge in spodumene pricing, which certainly helped.

Codan (CDA +22.8%)

CDA is a manufacturer and supplier of communications solutions (DTC and Zetron) and metal detection equipment (Minelab). It gave a positive trading update at its AGM, reaffirming its communications business revenue guidance growth of 15-20% for FY26, but will be at the upper-end of this range. Record gold prices have been favourable for Minelab, with overall revenues for 1Q26 tracking 16% above the FY25 monthly average.

Sims (SGM +19.4%)

SGM's recent US tour highlighted its success in margin expansion at its SA Recycling (SAR) business and its leverage to the boom in data centres via its Sims Lifecycle Services business. SGM's asset recycling strategy (having exited from UK scrap recycling late last year) has proven to be timely. SGM sold its UK metals business to Unimetals Group for £195m (A$399m) and reflecting the highly competitive nature of the UK scrap industry, Unimetals this month filed a notice of intention to appoint administrators. For SGM, the company had already banked £160m in proceeds (A$283m), with a remaining receivable of £35m outstanding. SGM still holds security against hard assets and all equipment, so there is high likelihood that the company will be able to retrieve the bulk of this receivable. It's been a tough market for SGM, given persistent headwinds from record-high Chinese steel exports and sluggish scrap markets, however the company is making progress on its strategic goals, which has rewarded patient investors this month.

The Market Misses

WiseTech Global (WTC -23.4%)

WTC shares sold off sharply after officers of ASIC and the Australian Federal Police attended their office to execute a search warrant demanding the forfeiture of documents regarding alleged insider trading in WTC shares by Executive Chair Richard White and three WTC employees during the period from late 2024 to early 2025. At this juncture post the raid, no charges were laid and there were no allegations against the company itself. WTC obviously intends to fully cooperate with the investigation. So WTC again found itself back in the spotlight and the uncertainty around the investigation saw the stock fall 15.9% on the day. These developments reinforced the view by many that WiseTech needs to take a number of meaningful steps to re-build market trust following a series of downgrades and persistent governance issues over the past year. The company needs to articulate a clearer, quantifiable framework with meaningful operating targets to assist investors in bridging FY25's performance to FY26E guidance expectations. Management need to annunciate meaningful KPIs, revenue drivers and addressable markets which can be independently built and verified in order to frame future revenue opportunities (rather than framing the outlook based on historical revenue growth). Lastly, WTC need to provide the market with a clear succession plan for founder Richard White, if ASIC's investigation makes his role untenable and forces him to step aside.

Bapcor (BAP -20.2%)

Hot on the heels of their shock July release, BAP provided another disappointing update on business activities and trading performance for 1Q26. The company provided weak guidance for the first half of FY26 and for the FY26 full year, issuing a material downgrade for FY26. BAP now expects Underlying NPAT in 1H26 of only $14 -18m (-58% vs consensus at $38m) and $51-61m for FY26 (-30% vs consensus at $80m). Following new management's recent material re-base of earnings at the FY25 result (including write-back of prior-year profits), further issues have been identified in the Trade segment. This, along with reinvestment, pricing reviews and challenging market conditions (particularly in New Zealand and with Autobarn in the retail segment) have materially impacted 1H26. As a result, the balance sheet suddenly became a focus area for investors. BAP ended FY25 at gearing of 2.1x, but that was on EBITDA materially higher than what the new guidance was implying, and the working capital outlook is even more unclear. Three consecutive downgrades in 3 months was too much for investors, who finally threw in the towel, resulting in the stock falling 18% on the day of the update.

DroneShield (DRO -17.8%)

DRO is an Australian defence manufacturer specialising in counter-drone technology, supplying proprietary software and hardware products utilised to detect, identify and defeat aerial, ground and maritime threats. DRO's customers include Government defence, military and intelligence organisations, as well as law enforcement, critical infrastructure and commercial parties globally. The company continues to win new contracts, but the announcement of the Gaza peace deal during the month took some of the edge off DRO's impressive 509% surge in the nine months to September.

Light & Wonder (LNW -15.6%)

Despite LNW titles dominating the Eiler & Kreicik data rankings, capturing 43% of the top New Premium Leased and WAP (PLW) game slots (underpinned by a plethora of new titles), it was ongoing litigation risk with Aristocrat, listing and leverage debates that weighed heavily on investor sentiment. Figures released for the September quarter showed that LNW held the number 1 position at 13.0% for US slot iGaming GGR share for the third consecutive month, up from number 3 in May/June. Despite the good news, LNW has underperformed the ASX200 index by over 22% over the past year and the stock has continued to de-rate, with LNW now trading on a PER of 9x FY27 earnings, which is less than half the Aristocrat PE multiple of 21x.

Pro Medicus (PME -14.5%)

PME provides a range of radiology information technology software and services to hospitals, imaging centres and health care groups. PME now commands a $27bn market cap and remains a very high multiple stock trading at ~95 times Price/Revenue and an eye watering EV/EBITDA multiple of ~120x, supported by its ~30% p.a. expected top line revenue growth rate - a main driver and focus for growth investors. PME's stock price drifted lower in October as the only recent contract it signed was a small 5-year $10m one, with current year revenue forecast at $284m. It seems hard for PME to maintain its current trading multiples without sufficient "wind in the sails" and new large contract wins to maintain its historical sales momentum.

FUND PERFORMANCE

The ASX 200 rose +0.39% in October, with the index finishing well off its all-time high of 9095 achieved on October 21, before retreating in the final week from an inflation print that negatively surprised and drove expectations of a more hawkish reaction from the RBA.

The Fund found October a challenging environment post the second surprise CSL downgrade, delivering a monthly return of -0.97% and underperforming the ASX200 Accumulation benchmark of +0.39%.

This brings the return for the 2026 FYTD to +10.56%, ahead of the benchmark return of +5.12%.

Materials and Financials offset other sector losses in the month; ANZ, CBA led gains, whilst CSL dragged.

In October, the Materials (+4.3%), Energy (+3.7%) and Financials (+1.5%) sectors were the best performers (BHP was the largest positive contributor at 149bp to the 39bp benchmark return), whilst the Information Technology (-8.4%), Consumer Discretionary (-6.8%) and Health Care (-4.8%) sectors fared poorly. The major contributors to this month's benchmark return were Materials (+88bp), Financials (+48bp) and Energy (+13bp). Conversely, the major detractors were Consumer Discretionary (-55bp), Health Care (-35bp) and Information Technology (-28bp).

Month of October Attribution

For October, the main positive contributors to the Fund's performance were overweight positions in Healius (+18.7%), Fortescue (+14.0%), Woolworths (+6.4%), Aurizon Holdings (+7.5%) and not owning any Wesfarmers (-8.7%). These were more than offset by overweight positions in Treasury Wine Estates (-15.3%), Myer Holdings (-17.7%), CSL (-9.9%) and not owning ANZ (+10.4%).

FUND ACTIVITY

The Fund was very active in October taking profits in BHP, Fortescue, IRESS, Liberty Financial, Northern Star and profitably exiting remnant positions in Elders and Iluka post the spike in their share prices. We used the intra-month weakness in **Amcor**, Aurizon, CSL, Treasury Wine Estates and Woolworths to strengthen those positions and reintroduced Bega Cheese to the portfolio which we have held before and know well.

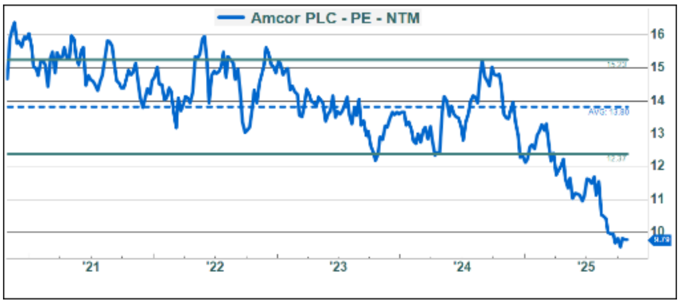
This month, we have materially strengthened the position in **Amcor (AMC)**, the world's largest consumer packaging group which commands global leading positions operating in two major sectors: rigid and flexible packaging solutions. Historically, AMC has significantly grown via 3 company transforming acquisitions: Alcan packaging from Rio Tinto for US$2.0bn back in 2010, Bemis Company Inc for US$6.8bn in 2019 and more recently, Berry Group Inc for US$8.4bn in April this year. With the Berry merger, the company continues to diversify its ~$23bn revenue base, lifting its exposure to the more defensive home and personal care segments, as well as in the pharmaceutical area.

AMC has a strong track record of synergy delivery (Bemis synergies were delivered way ahead of expectations and management demonstrated excellent execution and outperformance post its Alcan acquisition). The company expects to deliver US$650m in synergies over 3 years from the Berry transaction, with US$260m (or 40% of Berry synergies) already locked in for FY26. This results in ~13% EPS accretion relative to FY25 and should help drive ~10% CAGR over the next 3 years, with free cashflow guided to double in FY26 to US$1.85bn. AMC has identified its legacy North American beverage business (~$1.5bn of sales) and $1.0bn of other sales as divestment candidates, in order to optimise its portfolio and drive faster growth. Gearing should reduce from 3.5x EBITDA to 2.5x within the next 3 years.

We introduced AMC to the Fund towards the end of June this year (after a prolonged period of share price underperformance), and have lifted the Fund's weighting significantly at current levels.

Having traded at a premium to the market periodically, AMC now trades on a 10-year low PE multiple of ~10x (a 50% discount to the market) and supports a way above market 6.5% dividend yield.

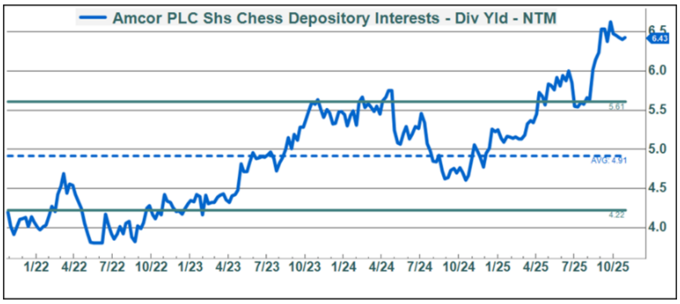
AMC is trading at 9.8x PE multiple



AMC trades at a 50% discount the ASX200 PE

We don't believe that it's that bad a company. We feel that AMC's defensive attributes as a consumer staple and current portfolio optimisation actions are mis-priced and under appreciated by the market.

AMC Dividend Yield is at a 10 year high of 6.5%



Source: FactSet and Refinitiv.

FUND STRATEGY AND OUTLOOK

After months of back-and-forth trade salvoes between Washington and Beijing, President Xi and President Trump finally met in South Korea on Oct 30. Trump agreed for the US to reduce its fentanyl-related tariffs on China to 10% and to partially loosen its export controls, in exchange for a one-year postponement of China's rare earth controls and the resumption of soybean purchases. Whilst this is only a one-year truce, markets took this initiative to ease trade tensions in its stride, given it involves the world's two largest economies (43% of global GDP) and have dominated news headlines.

As the Federal Reserve has shifted to easing monetary policy, investors are increasingly focused on how lower interest rates will potentially impact the US equity landscape and other key risk assets. A measured pace of official rate cuts in the coming quarters is likely, with the Fed prioritising support for economic growth, whilst remaining vigilant on inflation risks. However, at the time of writing, the US government is still in shutdown (the longest ever), interfering with economic data collection and delaying their release. Pending DOGE October deferred resignations are likely to generate a negative payrolls report in October, also weighing on November. The labour market data releases are unlikely to send a convincingly reassuring message to the Fed by the time of the December FOMC meeting. Powell's comments that he sees the current monetary policy stance as modestly restrictive, is one of the main reasons that the labour market is still gradually cooling, hence a December rate cut is very likely.

On the US earnings front, over 70% of the S&P 500's market cap have reported, with 3Q expectations for revenue growth at 7.5% and EPS by 12.5%, with Tech leading the charge.

Expected 3Q EPS Growth YoY

TECH+: +25.9%

Financials: +21.9%

Non-Cyclicals: -0.6%

Cyclicals ex-Energy: +3.7%

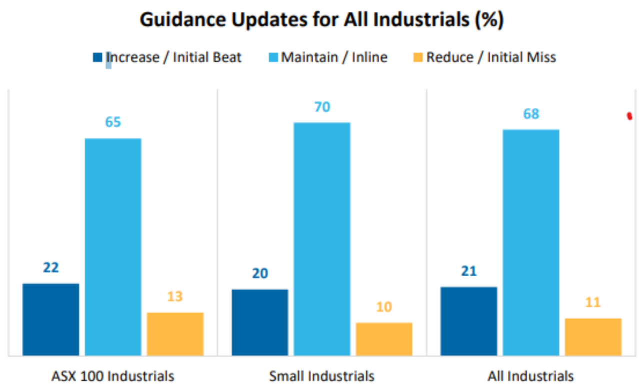
Energy: -3.8%

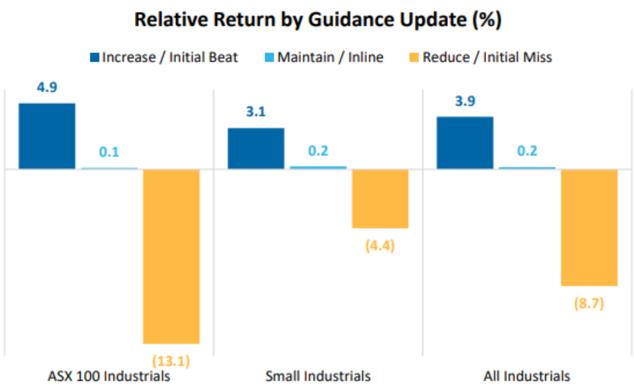
So far, earnings have beat estimates by 7.8% in aggregate, with 78% of companies topping projections. The 6 largest TECH+ companies are outgrowing the rest of the market as a group (EPS growth of 27.4% vs. 8.2%), with 3Q EPS growth hitting +12.7% YoY.

Just as an observation, the equal-weighted S&P500 is now trading at more than a 25% discount to the US equity benchmark, such is the consolidation of market cap towards the major tech names!

The domestic economy is still giving mixed signals. Locally, a strong September quarter CPI places the RBA firmly on hold, with the likelihood that rates stay the same for an extended period. Since the February 2025 start of the easing cycle in Australia, cash rate sensitive sectors have benefitted in terms of positioning and valuation support, with delivery of earnings. In August, given expectations that the easing cycle will continue, discretionary names were again strong and outlooks all embraced further easing, with continued optimism towards the key seasonal sales period. REITS also benefitted both on housing and consumer leverage, as well as interest rate cost savings, as hedged debt balances continue to roll off. Banks found this backdrop favourable, with margin risk pressure seemingly discounted, a benign credit cycle and with asset quality looking ok, despite constrained top line growth, intense mortgage competition, and elevated costs (IT and labour driven). Some mean reversion is possible here.

We are currently in the October/November AGM season where companies update or stick to their guidance. The charts below relate to 90 earnings related events in October, including AGM's results, trading updates and corporate activity. Guidance surprises were slightly positive and most surprises drove price reactions, albeit disappointers, as per August, had major oversized reactions.



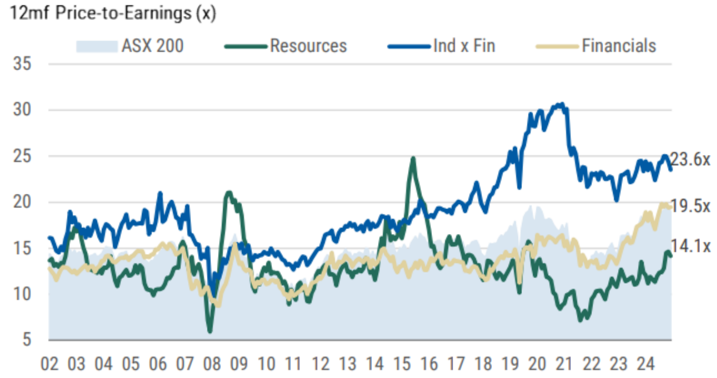


Source: Macquarie Research.

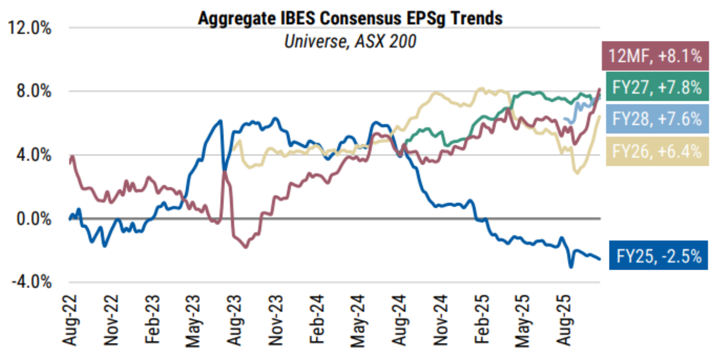
In terms of equity market valuations, given the market rally, multiples remain elevated versus history, but this has been the case for a while. The ASX 200 12MF P/E currently stands at 19.0x, two standard deviations above the long-term average (14.8x since 1992) and above the 10-year average of 16.1x.

FY25 EPS growth finished down 2.5%, the third year in a row, however, in the past two months, aggregate consensus earnings have steadily trended higher across the forecast years, driven predominantly by revisions to the upside for commodity prices in the Materials sector. The ASX 200 earnings growth is now sitting +2.7% higher than a month ago at +6.4% for FY26.

The 12M forward PE of the Industrials ex-Financials at 23.6x



Annual Consensus EPS Growth Trends FY25-27



Source: Morgan Stanley.

Several pockets of the equity market (including stocks in the Top 20) now look expensive, especially where share prices are being driven more by index flows and passive investing, rather than pure fundamentals. The more glamourous stocks, which pay zero or little by way of dividends, the likes of Technology One, Pro Medicus etc are showing signs of being overly stretched based on earnings and we continue to avoid.

Apart from the changes articulated in the Activity Section, we continue to hold our more Defensive, Contrarian and Value biased line. Further interest rates cuts expected soon by the Fed and hopes of interest rate cuts into 2026 domestically, should be supportive for the more cyclical stocks/sectors. Many of our key holdings, which are currently unloved and mis-priced by the market, have strong turnaround potential with significant upside. This environment going forward should suit our portfolio positioning over the medium term.

For the 2026 Financial Year, the forecast grossed up Dividend Yield for the Fund now sits at 6.8%, compared to the grossed-up Market Dividend Yield of 4.2% (or 3.2% raw).

Contact Us

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Find out more:

For new or additional applications into the Fund, please click here.

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 registry, Automic Group on 1300 101 595 or ellerstonfunds@automicgroup.com.au.

Ellerston Capital