

Yarra Global Small Companies Fund

Gross returns as at 31 March 2024

	1 month %	3 months %	1 year %	3 years % p.a.	5 years % p.a.	10 years % p.a.	Since inception* % p.a.
Yarra Global Small Companies Fund	2.60	14.09	24.59	12.14	12.39	12.75	9.55
MSCI World Small Cap Index in A\$ [^]	3.70	9.18	18.95	6.63	9.74	10.84	7.82
Excess Return [‡]	-1.10	4.91	5.64	5.51	2.66	1.92	1.73

Past performance is not a reliable indicator of future performance. Taxes payable by investors have not been taken into account. The figures shown have been provided for illustrative purposes – they are unaudited and subject to change. The total returns shown are gross of all fees, meaning they do not reflect the deduction of any investment management fees which would reduce returns and assume reinvestment of all distributions. Investment in the fund is not available on a fee free basis and this should be factored into any analysis of past performance.

Net returns as at 31 March 2024

	1 month %	3 months %	1 year %	3 years % p.a.	5 years % p.a.	10 years % p.a.	Since inception* % p.a.
Yarra Global Small Companies Fund	2.49	13.74	23.05	10.75	11.01	11.32	8.06
MSCI World Small Cap Index in A\$ [^]	3.70	9.18	18.95	6.63	9.74	10.84	7.82
Excess Return [‡]	-1.21	4.56	4.10	4.13	1.27	0.48	0.24

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^{*} Inception date of Yarra Global Small Companies Fund: November 1999.

[^] Effective 8 February 2016, the benchmark for the Yarra Global Small Companies Fund is the MSCI World Small Cap Index net of dividend withholding taxes, measured in A\$.

[‡] Excess return: The excess return figures shown represent the difference between the Fund's return and the benchmark.

Market review

The MSCI World Index increased significantly during this quarter.

US equities had a strong start to 2024 despite the Fed's pivot to a more hawkish monetary policy than what was expected at the end of 2023. The markets' performance was on account of investors having strong confidence that the rate cut cycle is soon to come. Over the last 5 months, small and mid-cap indices have been the top performers.

Despite the Eurozone economy contracting and the UK slipping into a technical recession, European equities performed quite well in this quarter. This was because the macroeconomic weakness was already priced in by the investors on the premise that rates cuts are soon to come.

Japanese stocks posted good returns for their investors on account of a weak Yen and surging exports. This was reflected in the earnings results that were released in late January and early February. The markets were further boosted by the positive economic reforms brought in by the Bank of Japan.

Portfolio review

The Global Small Companies Fund returned +2.49% during the period, underperforming its benchmark, MSCI World Small Cap in AUD (net) (+3.70%), by 121 bps on a net basis.

Among investment themes^{*}, signals within the High-Quality Business Models pillar detracted during the period. Signals within Themes and Trends, Sentiment Analysis, and Fundamental Mispricings also hurt relative performance.

The factors looking at management quality within the High-Quality Business Models pillar hurt relative performance. These factors aim to identify companies with strong management teams that are able to generate value for their shareholders. Moreover, within Themes and Trends, signals gauging industry momentum detracted during the period. Meanwhile, investor sentiment related factors hurt the performance of the Sentiment Analysis pillar. Lastly, within Fundamental Mispricings, signals evaluating insurance model detracted from relative returns.

Among sectors, holdings within the Industrials sector detracted the most from relative performance, with an overall overweight position within the Marine Transportation industry being especially challenged. On the upside, holdings within the Information Technology sector contributed the most to excess returns, with an overall underweight position within the Communications Equipment industry contributing particularly strongly.

At an individual stock level, an overweight position in Powell Industries Inc, held primarily due to views on Themes and Trends related factors did not do well. Conversely, an

^{*} Refer Yarra Global Small Companies Fund PDS for further information regarding key investment themes.

overweight position in IHI Corp, held primarily due to views around Themes and Trends related factors, performed well.

Among countries, the position in US detracted the most from relative performance. On the other hand, the positioning in Japan helped relative performance during the period.

Country allocation

	Portfolio %	Benchmark %	Active %
US	63.19	61.13	2.06
Norway	2.75	0.84	1.91
Sweden	3.92	2.08	1.84
Italy	2.77	1.22	1.55
Japan	13.48	12.24	1.24
Austria	0.98	0.33	0.64
Germany	2.09	1.60	0.49
Portugal	0.42	0.11	0.31
Spain	0.97	0.68	0.29
Netherlands	0.75	0.56	0.18

Market cap allocation

A\$ million	Portfolio %	Benchmark %
0 - 2000	20.53	12.78
2000 - 10000	48.68	60.92
>10000	30.79	26.30

Sector allocation

	Portfolio %	Benchmark %	Active %
Communication Services	2.48	2.81	-0.32
Consumer Discretionary	15.63	13.53	2.10
Consumer Staples	2.70	4.64	-1.94
Energy	4.48	5.03	-0.56
Financials	16.89	14.93	1.96
Health Care	7.86	9.73	-1.88
Industrials	21.86	20.60	1.27
Information Technology	10.19	11.10	-0.91
Materials	7.74	7.44	0.29
Real Estate	9.78	7.81	1.97
Utilities	0.38	2.37	-1.99

Top 10 holdings

	Portfolio %	Benchmark %	Active %
Comfort Systems USA Inc	1.17	0.15	1.02
Antero Resources Corp	1.06	0.11	0.95
IHI Corp	1.00	0.05	0.95
Carpenter Technology Corp	0.97	0.05	0.93
Park Hotels & Resorts Inc	0.95	0.05	0.90
Encompass Health Corp	0.99	0.11	0.88
JFrog Ltd	0.93	0.05	0.88
Voya Financial Inc	0.98	0.10	0.88
FTI Consulting Inc	0.97	0.10	0.87
Wingstop Inc	1.01	0.14	0.87

Portfolio holdings may not be representative of current or future investments. The securities discussed may not represent all of the portfolio's holdings and may represent only a small percentage of the strategy's portfolio holdings. Future portfolio holdings may not be profitable.

Income and growth

	1 year %	3 years % p.a.	5 years % p.a.	10 years % p.a.
Growth return	21.72	9.67	10.13	10.57
Distribution return	1.33	1.08	0.87	0.75

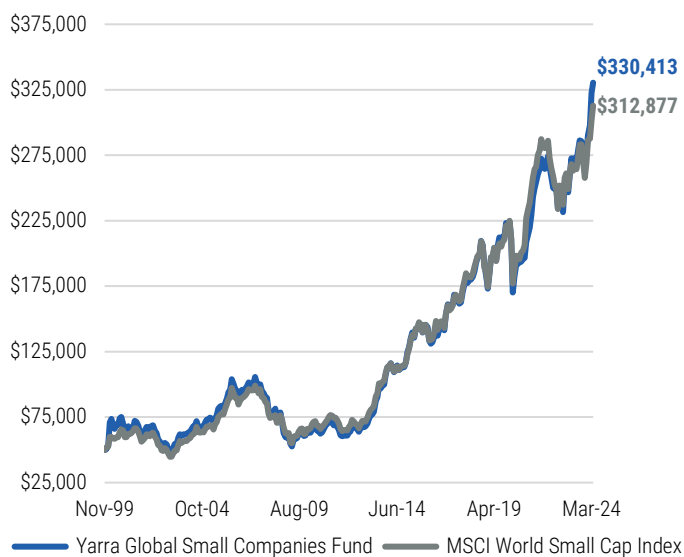
The Growth Return is measured by the movement in the Fund's unit price (inclusive of fees), ex-distribution, and can be positive or negative as the unit price can fluctuate with changes in the underlying market value of the Fund's assets. The Distribution Return is the amount that is paid to unitholders by way of income distribution in a 12-month period. It does not include capital distributions.

Features

Investment objective	To achieve medium-to-long term capital growth through exposure to smaller companies globally. In doing so, the aim is to outperform the MSCI World Small Cap Index net of dividend withholding taxes, measured in A\$ over rolling three year periods.	
Recommended investment time frame	5 - 7 + years	
Fund inception	November 1999	
Fund size	A\$186.6 mn as at 31 March 2024	
APIR code	JBW0103AU	
Estimated management cost	1.25 p.a.	
Buy/sell spread	+/- 0.10	
Number of holdings	580 as at 31 March 2024	
Platform availability	AMG Freedom of Choice Asgard BT Panorama Grow Wrap Hub24	IQOF Pursuit Macquarie Wrap Mason Stevens Oasis uXchange

Investment performance comparison of \$50,000

After fees, since inception of the Yarra Global Small Companies Fund, November 1999 to March 2024.



For illustrative purposes only. Past performance does not guarantee future results, which may vary. The total net fund returns shown are prepared on an exit to exit basis (i.e. they include all ongoing fees and expenses and assume reinvestment of all distributions). They do not take personal taxation into account. The comparison with the benchmark is for comparative purposes only. Index returns do not allow for transactional, management, operational or tax costs. An index is not managed and investors cannot invest directly in an index.

Applications and contacts

Investment into the Yarra Global Small Companies Fund can be made by Australian resident investors only.

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