TYNDALL AUSTRALIAN SHARE WHOLESALE FUND.

FUND UPDATE

AS AT
31 OCTOBER 2021

Fund Performance (%)

	1 Mth	3 Mths	6 Mths	1 Yr	3 Yrs p.a.	5 Yrs p.a.	10 Yrs p.a.	15 Yrs p.a.	20 Yrs p.a.	Since Inception p.a
Fund growth return	-0.64%	2.15%	4.18%	33.93%	0.65%	0.61%	3.03%	-0.42%	2.94%	3.50%
Fund distribution return	0.00%	0.00%	2.73%	4.80%	6.64%	7.65%	5.88%	6.41%	6.51%	6.38%
Total Fund (net)	-0.64%	2.15%	6.91%	38.73%	7.29%	8.25%	8.91%	5.99%	9.44%	9.88%
Benchmark return	-0.10%	0.51%	6.34%	27.96%	11.92%	10.88%	10.02%	6.51%	8.65%	9.61%
Excess Return	-0.54%	1.64%	0.57%	10.77%	-4.64%	-2.63%	-1.11%	-0.52%	0.80%	0.28%

Source: BNP Paribas. Fund growth return is the change in redemption prices over the period. Fund distribution return equals Total Fund minus fund growth return. Fund net returns are post fees, pre tax using redemption prices and assume reinvestment of distributions. Past performance is not an indicator of future performance. Benchmark: S&P/ASX 200 Accumulation Index. Inception date: March 1995.

The Fund outperformed the benchmark over the month.

Key contributors to relative performance:

- The nil holding in **Rio Tinto** contributed to performance. Iron ore exposed stocks declined, with the iron ore price falling over the period on lower Chinese steel production and rising ore inventories.
- **Karoon Energy** outperformed, driven higher by ongoing strength in oil prices. Oil demand continues to recover as global economies re-open after COVID enforced lockdowns. Meanwhile supply remains constrained with OPEC+ maintaining over-compliance to already modest commitments to lift production.
- **29Metals** contributed to performance with the stock driven higher by rising base metal prices. Zinc benefited from the capacity closure of some European smelters who were under pressure from rising energy prices due to gas shortages flowing from Eastern to Western Europe.
- **Iluka Resources** contributed to performance as the bullish outlook for mineral sands continued to play out. Demand continues to recover, not only in China, but also in European end-markets, while supply remains constrained.
- **Orica** outperformed given some positive commentary suggesting activity levels were improving. Very high global gas prices and positive moves in global ammonium nitrate pricing have also contributed to the improved earnings outlook.

Key detractors from relative performance:

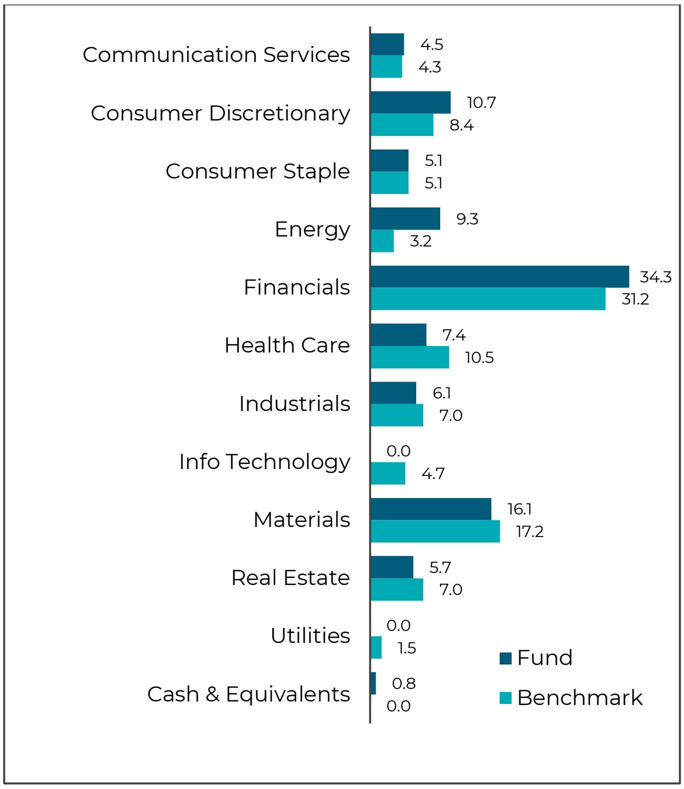
- The underweight position in **Macquarie Group** detracted from performance as it strongly outperformed during October leading into its half year result. The combination of volatility in commodity markets, strong asset realisation and capital markets activity leads to positive revenue growth.

- **IOOF** underperformed after providing a quarterly update on funds under management and administration that disappointed the market. The continued weakness in ANZ flows may be denting the market's confidence in IOOF's ability to turn around both the ANZ and MLC businesses.
- **Ardent Leisure** underperformed despite a lack of news. We believe the underperformance is most likely a result of profit taking after the very strong share price appreciation in the past six months.
- **Suncorp** underperformed during the month as it fell in sympathy with IAG, after ASIC announced it would commence civil penalty proceedings against IAG over policyholder loyalty discount mispricing issues. Compounding this was an unusually high level of storm activity during the month, which had the market worried about potentially large claims.
- The underweight position in **CSL** detracted from performance. CSL rallied late in October following commentary from a competitor, Takeda, that its plasma collections are now above FY19 levels. This improving backdrop in collections increases confidence in an FY23 earnings recovery for CSL.

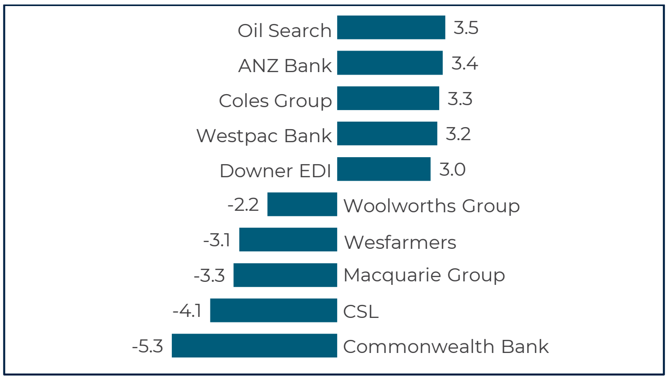
Top 10 Holdings

Security Name	% of Fund
BHP Group	7.96
Westpac Bank	7.77
ANZ Bank	7.25
National Australia Bank	5.96
Coles Group	4.37
Oil Search	3.84
QBE Insurance	3.83
Aristocrat Leisure	3.69
Telstra	3.60
Ramsay Health Care	3.45

Sector Exposure (%)



Top 5 Over/Underweight Positions (%)



Fund Metrics

	Price to Earnings Ratio*	Forecast Dividend Yield (%)*
Fund	15.71	4.27
Benchmark	18.39	3.67

Actual figures may vary. Forecasts are 12 months forward.
* Based on Broker Consensus forecast.

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Market Commentary

The S&P/ASX 200 Accumulation Index returned -0.1% during the month. Australian equities generally underperformed global markets in October. In the major developed markets, the US S&P 500 was up 7.0%, the DJ Euro Stoxx 50 was up 5.2% and the UK's FTSE 100 was up 2.2%. Japan's Nikkei 225 bucked the trend, to be down 1.9% (in local currency terms).

Monetary policy settings remained unchanged in October, as the Reserve Bank of Australia (RBA) indicated it would maintain both the cash rate and 3 year yield target at 0.10%, but by month-end appeared to have abandoned the 3 year target. The RBA also reaffirmed its government bond purchase program, intending to purchase AUD 4 billion a week until at least mid February 2022.

Domestic economic data releases in October were mixed. Q3 headline inflation rose 0.8% for the quarter, with the annual rate moderating to 3.0% which was slightly below consensus expectations. Employment fell by 128,000 positions in September, largely in line with expectations given the lockdowns in place at the time. The unemployment rate ticked up to 4.6%. The NAB Survey of Business Conditions fell 9 points, to 5 in September. However, business confidence rebounded from -6 to 13 as the path out of lockdown became clearer. Retail sales fell 1.7% in August, which was in line with expectations. National CoreLogic dwelling prices saw another consecutive monthly rise in October, ending the month up 1.5%, however there are signs that momentum is slowing.

Sector returns were mixed in October. The best performing sectors were information technology (2.1%), health care (1.0%), financials (0.8%), consumer discretionary (0.3%) and real estate (0.2%) all outperformed the broader index. Materials (-0.5%), utilities (-0.6%), communication services (-1.1%), consumer staples (-2.3%) and energy (-2.7%) all underperformed the broader index, while industrials (-3.2%) was the worst performing sector.

The AGM season is underway and has started well with more positive than negative surprises. The re-opening of the economy has seen companies negatively impacted by lockdowns now experiencing a sales recovery. Many companies are facing supply chain challenges and rising costs. Given shipping delays, many retailers have brought forward orders to ensure sufficient inventory for the lead up to Christmas, but higher freight and inventory holding costs are a margin headwind.

ESG is incorporated into each and every valuation

Fund Objective

The Fund aims to outperform the S&P/ASX 200 Accumulation Index by more than 2.5% p.a. over rolling five-year periods, before fees, expenses and tax.

Key Facts

Responsible Entity
Yarra Investment Management Limited

APIR Code
TYN0028AU

Portfolio Manager
Brad Potter, Jason Kim

Asset Allocation

Australian Shares	80% - 100%
International Shares	0% - 10%
Cash	0% - 10%

Minimum Investment
AUD 10,000 or platform nominated minimums

Buy/Sell Spread
0.25%/0.25%

Management Cost
0.80% p.a.

Distribution Frequency
Half yearly

Fund Size
AUD 747.89 million

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Important information: This material was prepared and issued by Yarra Investment Management Limited ABN 34 002 542 038, AFSL 229664 (YIML) who is the responsible entity and issuer of units in the Tyndall Australian Share Wholesale Fund ARSN 090 089 562 (Fund). The information contained in this material is of a general nature only and is not personal advice. It does not take into account the objectives, financial situation or needs of any individual. Investors should consult a financial adviser as well as the information contained in the Fund's current Product Disclosure Statement (PDS) and the 'Additional Information to the PDS' which are available at www.tyndallam.com/invest before deciding to invest in the Fund. Applications will only be accepted if made on a current application form. An investment in the Fund is not a bank deposit and distributions and the return of capital are not guaranteed. Past performance is not an indicator of future performance. Any references to particular securities or sectors are for illustrative purposes only and are as at the date of publication of this material. This is not a recommendation in relation to any named securities or sectors and no warranty or guarantee is provided that the positions will remain within the portfolio of the Fund.