TYNDALL AUSTRALIAN SHARE WHOLESALE FUND.

FUND UPDATE

AS AT
31 AUGUST 2024

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	0.41%	-5.09%	-3.26%	-3.00%	-4.94%	-1.64%	-1.36%	0.71%	0.48%	2.66%
Fund distribution return	-0.00%	10.03%	10.23%	12.65%	10.34%	8.25%	7.65%	6.61%	7.37%	6.85%
Total Fund (net)	0.41%	4.95%	6.97%	9.65%	5.40%	6.61%	6.29%	7.32%	7.85%	9.51%
Benchmark return	0.47%	5.74%	6.97%	14.90%	6.73%	8.14%	8.02%	8.45%	8.71%	9.44%
Excess Return	-0.06%	-0.79%	-0.00%	-5.25%	-1.33%	-1.53%	-1.73%	-1.13%	-0.86%	0.08%

Source: Citi. 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 underperformed the benchmark over the month.

Key contributors to relative performance:

- Our overweight position in **Newmont** contributed to performance in August due to the continued increase in the gold spot price, driven by a strengthening outlook for U.S. rate cuts, which historically supports outperformance in this sector.
- The overweight in **ResMed** contributed to performance following a compositionally strong FY24 result. RMD surprised on the upside with gross margin expansion beating expectations.
- **Stockland** outperformed during the month after it reported a strong FY24 result. The company demonstrated it has navigated the tricky residential development sector quite well and the investment trust business experienced strong rental growth. More importantly the company has positioned itself well for any recovery in the residential property cycle through new projects and its development pipeline.
- The bank sector outperformed over the month as the results continued to suggest little stress in the market and thus extraordinarily low provisions leading to minor upgrades. **ANZ** outperformed the sector despite APRA imposing an additional $250m capital buffer for non-financial risk management, exacerbated by recent issues in its Markets business. Our overweight position in ANZ contributed to performance.
- The underweight holding in **Cochlear** contributed to performance following a disappointing FY24 result. The key disappointment of the result was FY25 NPAT guidance, falling ~6% below expectations. FY25 should see lower Cochlear Implant volumes and slower sales of the Nucleus 8 device.

Key detractors from relative performance:

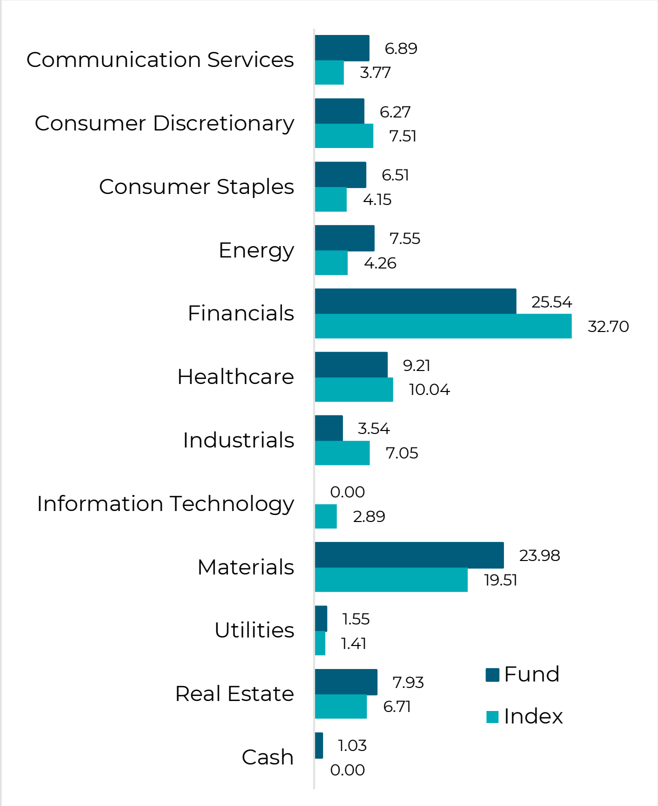
- **QBE Insurance** underperformed during the month of August after its first half results modestly disappointed the market.
- **Ampol** continued to underperform through August despite a solid result given continued pressure on global refining margins due to an unusual level of stability across the global refining industry.

- **WiseTech's** (WTC) strong performance detracted given our nil holding. WTC excited the market with updates on the progress of new products and strong guidance driven by margin expansion. The growth is impressive however the stock is currently trading on 90x PE.
- **Brambles** delivered a strong result. Whilst organic volumes and new business wins were weak, profits were still strong and cashflows benefited from the destocking by retailers and manufacturers. Our nil holding detracted performance.
- **The Commonwealth Bank's (CBA)** result was in line with expectations but well below what is required to justify the record share price. The bank continues to trade at multiples which are well beyond its major peers, despite similar earnings growth. We remain underweight as we cannot find any reasonable explanation for the high price.

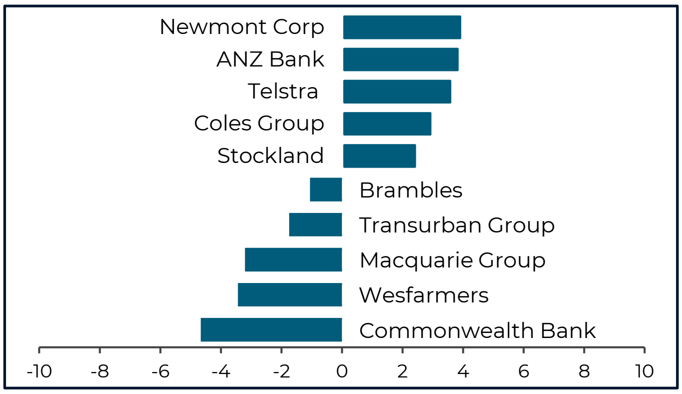
Top 10 Holdings

Security Name	% of Fund
BHP Group	10.25
ANZ Bank	7.67
CSL	6.66
Telstra	5.49
Commonwealth Bank	5.06
Newmont Corp	4.47
Coles Group	3.98
Woodside Energy Group	3.92
National Australia Bank	3.90
Westpac Bank	3.78

Sector Exposure (%)



Top 5 Over/Underweight Positions (%)



Fund Metrics

	Price to Earnings Ratio*	Forecast Dividend Yield (%)*
Fund	15.18	3.94%
Benchmark	17.89	3.60%

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

Market Commentary

The S&P/ASX 200 Accumulation Index returned 0.47% for the month recovering from a severe 6% loss during the first week of August during the global yen carry-trade sell off as investors who had borrowed in yen while Japan's interest rates were low, unwound rapidly, when the Bank of Japan started to increase rates. In local currency terms the MSCI World Index increased by 1.87% over August 2024 while the S&P 500 also increased by 2.38%. The Australian 10-year government bond yield fell 15 basis points over the month to 3.97%. Domestic data releases throughout August were subdued. Australia's monthly CPI indicator was 3.5% in the 12 months to July down slightly from 3.8% in the 12 months to June. GDP rose by 0.2% in the June quarter continuing the extremely low growth seen in the past few quarters. This was largely due to a reduction in household discretionary spending as elevated interest rates start to bite. Government spending provided support. Seasonally adjusted unemployment in July increased slightly to 4.2% and Australian retail sales remained flat month on month.

CoreLogic's national Home Value Index (HVI) continued its upward trajectory in July 2024, rising 0.5% on par with similar rise in June and the 18th consecutive monthly rise. However, while growth is positive there are signs that growth is uneven with 3 capital cities recording declines over the past 3 months- Melbourne a fall of -0.9%, Hobart -0.8% and Darwin- 0.3%. In contrast home values in Perth, Adelaide and Brisbane continue to grow as demand in those cities outpace the number of homes for sale.

The NAB Monthly Business Survey noted that business conditions improved slightly in July on the back of improved employment. Business confidence however fell slightly with falls across all industries other than construction and recreation and personal services.

The Westpac Melbourne-Institute Consumer Sentiment Index rose to 85 in August from 83.6 in July. It appears this was driven by support provided by tax cuts and fiscal measures and worries about future cash rate rises subsiding.

In terms of sector performance, Information technology (7.86%), industrials (3.88%), communication services (3.54%) performed well with financials (1.87%), real estate (0.64%) and consumer staples (0.16%) performing marginally well while the remaining sectors fell. Of those, energy and materials were the worst affected falling 6.00% and 1.87% respectively, while utilities (-1.07%), health care (-1.04%) and consumer discretionary (-0.28%) fell marginally.

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 Funds Management Limited

Buy/Sell Spread
0.20%/0.20%

APIR Code
TYN0028AU

Management Cost
0.80% p.a.

Portfolio Manager
Brad Potter, Jason Kim

Distribution Frequency
Half yearly

Asset Allocation

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

Fund Size
AUD 383.52 million

Minimum Investment
AUD 10,000 or platform nominated minimums

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