

Glenmore Australian Equities Fund

Monthly performance update

October 2024

Fund Performance

Fund performance for October 2024 was +0.01% (after fees) versus the benchmark return of -1.33%. The fund has delivered a total return of +271.03% or +19.34% p.a. (after fees) since inception in June 2017.

Period	Glenmore Fund	All Ords. Accum. Index
October 2024	+0.01%	-1.33%
1 Year	+40.07%	+25.35%
3 Year (p.a.)	+10.58%	+7.56%
5 Year (p.a.)	+14.53%	+8.43%
Since Inception (p.a.)	+19.34%	+9.38%
Since inception (total)	+271.03%	+94.44%

Fund commenced on 6 June 2017

Fund returns in the table above are for main series units. Please note returns for certain series of units may differ slightly from the main series due to the timing of your investment.

Stock commentary

HUB24 (HUB) increased +18.4% in the month. During October, HUB released a business update for 1Q25, which showed the business continues to perform strongly. HUB reported platform funds under advice (FUA) of \$91.6B (+41% up vs pcp driven by net flows of \$4.0B (which we believe was well ahead of market expectations). Positive market movements (ie equities markets rising) boosted FUA by +3.5%. Net adviser additions was a healthy +195 to close at 4,720 at the end of September.

Pinnacle Investment Management (PNI) increased +11.5% in October. During the month, PNI issued a strong business update for 1Q25. Funds under management (FUM) increased by +7.4% to A\$118B (excluding acquired FUM) in the September 2024 quarter, with positive investment returns accounting for +5.8% and net inflows contributing +1.6%. Total net inflows for the September 2024 quarter were \$1.8B, of which \$1.6B was retail net inflows. PNI said it continues to evaluate opportunities for M&A, but will be very selective and patient.

Mineral Resources (MIN) declined -24.3%. After increasing +29.6% in September, October was another eventful month for MIN. The catalyst for the stock price fall was an investigative article from the Australian Financial Review (AFR) published on the 18th of October. The article detailed allegations of tax evasion and corporate misconduct over a number of years, by founder and CEO of MIN, Chris Ellison, and other senior executives at the company. Following the AFR article, the MIN board investigated the tax scheme, and initially its response appeared to be supportive of Chris Ellison (who owns a ~12% stake in MIN) continuing in his role. However, after considerable further media coverage on the matter, the MIN board's support for Chris Ellison changed significantly. In early November, the MIN board announced the outcome of its investigation into the conduct of Chris Ellison. The key findings were that chairman of MIN James McClements will step down at or before next year's AGM and that Chris Ellison will remain in his role as Managing Director whilst an orderly transition is effected within the next 12-18 months. Financial penalties worth ~\$20m were also handed down to Chris Ellison. We believe the management uncertainty that will prevail over the next 12-18 months, at a critical time when MIN is commissioning its large scale Onslow iron ore mine, and our caution on MIN's future performance without Chris Ellison at the helm, meant we decided to exit the position in MIN in early November. In addition, the various allegations of misconduct have resulted in a lower confidence level in the board and management team at MIN. In more positive news, during the month, MIN announced it sold various gas assets to Hancock Prospecting for up to \$1.1B (\$804m upfront and \$327m subject to meeting certain resource thresholds). We would note MIN was a relatively small position for the fund and hence did not impact fund performance in an overly material sense in October (~0.6%).

Market commentary

Globally, equity markets were weaker in October. In the US, the S&P 500 declined -1.0%, the Nasdaq fell -0.52%, whilst in the UK was down -1.54%.

In Australia, the All Ordinaries Accumulation index declined -1.33%. On the ASX, the top performing sector was gold, supported by a +5% rise in the gold price. Banks also

performed well in the month. Consumer staples were the worst performer, impacted by index heavyweight Woolworths (WOW) falling -10% following a weaker than expected 1H25 trading update.

In bond markets, the US 10 year government bond yield rose +50 basis points (bp) to close at 4.28%, whilst its Australian counterpart increased +53bp to end the month at 4.51%. The main driver of the higher bond yields was market expectations of less interest rate cuts from the Federal Reserve.

Thank you for your interest in the fund, as always, I would welcome any questions and am available for those interested in discussing an investment.

Monthly performance by calendar year (%)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2017						1.29	1.52	7.03	3.05	5.32	3.81	3.66	28.55
2018	3.47	-0.30	-2.80	0.04	4.68	4.01	1.35	5.94	-0.46	-8.70	-2.06	-3.26	0.97
2019	2.84	9.77	2.72	6.88	2.54	5.21	7.71	-0.76	2.60	-1.07	-1.65	-1.67	40.28
2020	3.05	-9.44	-29.34	16.63	9.64	1.43	1.41	11.52	0.54	1.66	10.37	3.96	13.43
2021	0.53	-1.61	1.34	7.05	1.00	6.15	3.21	10.38	0.74	0.65	0.51	4.13	39.07
2022	-7.62	-1.12	12.52	3.07	-4.11	-12.59	9.78	5.18	-8.24	5.57	3.61	-2.93	-0.12
2023	6.49	-3.45	-6.15	3.01	-6.42	1.42	5.79	1.96	-1.97	-7.43	8.14	10.47	10.30
2024	1.72	2.48	4.98	-0.96	1.12	1.02	3.38	-3.70	6.38	0.01			17.26

FUND INFORMATION

Name	Glenmore Australian Equities Fund	Fund Administrator	Apex Fund Services
Inception	6 June 2017	Fund Custodian	Certane Corporate Trust Pty Ltd
Structure	Wholesale Unit Trust	Fund Auditor	Pitcher Partners
Investor Eligibility	Wholesale or 'sophisticated' investors only	Fund Manager	Glenmore Asset Management
Subscription Frequency	Monthly	Management Fee	1.2%
Redemption Frequency	Monthly	Performance Fee	20.0%
Unit pricing	Monthly	Benchmark	S&P/ASX All Ordinaries Accumulation Index
Distributions	Annually	High water mark	Yes
Platform availability	Netwealth, HUB24	APIR code	GNM0167AU

Contact details

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