

Performance report | 31 January 2025

Bennelong Long Short Equity Fund

Net returns

	1 month	3 months	Fiscal YTD	1 year	Since inception ¹ p.a.
Fund	1.40%	5.89%	7.43%	23.49%	12.74%

Performance figures are net of fees and expenses. Past performance is not indicative of future performance.

Portfolio performance

Fund return was 1.40% in January.

Long Telix / Short Sonic Healthcare was our top pair. TLX announced another acquisition, disclosed Q4 revenue which exceeded guidance and received European approval for Illucix, its prostate cancer imaging agent. News flow will be high this year as TLX will be very busy integrating acquisitions, developing commercial capability and progressing imaging and therapeutic agents across prostate, kidney and brain cancer.

Our bottom pair was long Netwealth / short Insignia. In January IFL received indicative non-binding proposals at \$4.60 from two bidders, up from initial bids in December at \$4.00. IFL have now provided access to a data room. IFL and NWL both disclosed December quarter FUM flow; NWL achieved very strong in flow, IFL had small outflow. Whilst M&A is always a risk the longer-term opportunity has more often than not been worth it, particularly in this case. Our IFL short was established at \$9.00 and our NWL long at \$6.50. At month end IFL was \$4.38 and NWL \$31.55. We have closed our IFL position.

Contribution for other top and bottom pairs was very modest, and news flow quiet.

Market observations

January 2025 marked a robust start to the year for global equity markets, with European markets leading the charge. MSCI Europe (ex UK) increased +7% buoyed by tentative signs of economic improvement across the continent. In contrast, the ASX 200 index rose by +4.6%, outperforming US equities, which gained a more modest +2.8%.

In the US the promise of deregulation from Trump supported market sentiment, instilling optimism regarding economic growth and corporate profitability. However, despite the positive outlook, the US Federal Reserve appears in no rush to cut rates, suggesting a cautious approach as they await further developments regarding the Trump administration's policy agenda.

The introduction of Deepseek's AI model caused an abrupt sell-off in tech stocks late in the month, and sparked debate on whether it will disrupt existing AI leaders or catalyse a further boom in investment.

Fund statistics

Fund NAV A\$M	Month End	\$67.5
Gross exposure A\$M	Month End	\$322.5
Fund leverage (x NAV)	Month End ²	4.6
Average fund leverage (x NAV)	Since inception	4.3
Fund volatility (annualised)	Month	17.6%
Fund volatility (annualised)	Rolling 12 months	12.3%
Positive months %	Rolling 6 months	67%
Positive months %	Since inception	62%
Sharpe Ratio (basis RBA Cash)	Month	0.9
Sharpe Ratio (basis RBA Cash)	Rolling 12 months	1.5
Long exposure	Month End	50.2%
Short exposure	Month End	-49.8%
Strategy performance ¹ (composite)	Since inception \$1.00	\$15.77

Top spreads for the month

Long	Short
Telix (TLX)	Sonic Healthcare (SHL)
Tabcorp (TAH)	Endeavor (EDV)
ALS (ALQ)	Aurizon (AZJ)

Bottom spreads for the month

Long	Short
Netwealth (NWL)	Insignia (IFL)
Magellan (MFG)	AMP (AMP)
Pointsbet (PBH)	Skycity (SKC) / Star (SGR)

In commodities, gold emerged as the best performer, rising +7% with safe haven buying in response to geopolitical uncertainties and a declining USD.

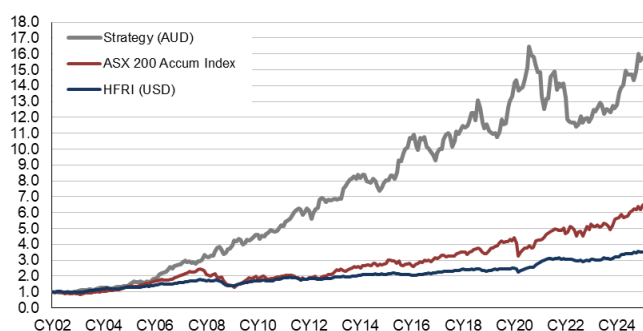
Back home there was a mix of domestic economic indicators (weaker house prices, weaker consumer spending, higher employment growth) however weaker than expected inflation bolstered market confidence regarding potential interest rate cuts, leading to a more positive sentiment among investors.

There was a broad rally across most Australian equity sectors, with cyclical and growth sectors performing strongly, gaining between +3% and +7%. The only lagging sectors were Consumer staples +1% and Utilities -2%. This reflects a rotation back into risk assets as investors anticipate a more favourable monetary environment.

Calendar year performance³

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	CYTD
2025	1.40%												1.40%
2024	1.73%	6.35%	1.86%	1.57%	6.44%	-1.85%	-0.06%	0.02%	-2.38%	3.97%	7.55%	-2.90%	23.88%
2023	2.21%	4.25%	-0.73%	1.69%	2.46%	-0.93%	-4.55%	2.55%	-0.57%	-0.86%	3.16%	-1.40%	7.15%
2022	-6.38%	-10.22%	-1.23%	-0.42%	-0.13%	-2.05%	1.24%	4.43%	-3.22%	1.87%	0.75%	-2.27%	-17.00%
2021	-0.25%	-10.11%	-5.95%	5.11%	0.12%	10.11%	1.33%	1.19%	-7.70%	2.82%	-1.49%	1.34%	-5.06%
2020	6.52%	0.97%	-4.50%	1.27%	0.22%	4.19%	4.82%	8.49%	-3.26%	-0.65%	-2.95%	-3.08%	11.65%
2019	-3.49%	-0.82%	-0.84%	0.54%	-2.52%	3.00%	6.92%	-2.51%	0.65%	8.84%	2.84%	2.36%	15.17%
2018	1.51%	-0.58%	0.83%	1.96%	4.75%	0.08%	-3.64%	10.59%	-3.85%	-7.05%	-3.07%	2.09%	2.51%
2017	4.95%	2.07%	0.29%	5.84%	2.86%	1.20%	-1.42%	-6.70%	3.88%	5.29%	-1.14%	2.90%	21.12%
2016	-0.29%	2.37%	-6.73%	-2.30%	7.58%	-1.04%	1.46%	-5.90%	-1.06%	-1.76%	-2.24%	-3.23%	-13.07%
2015	2.66%	0.05%	3.59%	0.03%	-1.91%	4.86%	8.85%	-0.69%	5.71%	2.54%	0.65%	6.22%	37.11%
2014	-2.32%	2.50%	0.16%	-4.97%	-0.80%	-0.44%	3.04%	-1.56%	-3.59%	-4.33%	3.12%	2.83%	-6.63%
2013	0.46%	-0.28%	0.69%	0.01%	9.49%	1.10%	3.52%	2.27%	0.83%	1.88%	-1.80%	2.68%	22.48%
2012	-2.04%	-8.43%	6.35%	4.22%	1.19%	8.47%	1.57%	-1.61%	-2.00%	1.69%	-0.41%	0.89%	9.20%
2011	-0.59%	4.39%	1.85%	2.34%	3.09%	4.12%	2.12%	1.91%	-1.25%	-5.06%	3.09%	3.27%	20.60%
2010	0.25%	-6.16%	4.77%	-1.10%	3.24%	2.84%	2.90%	-0.96%	-0.98%	1.23%	2.87%	3.65%	12.71%
2009	5.69%	7.88%	-1.72%	4.26%	-1.24%	-7.16%	2.24%	5.61%	-1.14%	2.65%	1.71%	3.57%	23.64%
2008	-2.10%	-2.82%	3.40%	1.06%	7.07%	7.36%	1.16%	-3.57%	-8.98%	3.78%	5.78%	0.49%	11.95%
2007	0.55%	5.42%	3.62%	-3.12%	0.92%	-2.90%	1.70%	-3.72%	5.63%	-0.22%	4.41%	9.04%	22.51%
2006	1.24%	4.76%	10.16%	2.90%	2.58%	0.95%	5.57%	7.67%	-2.62%	5.22%	2.01%	1.35%	49.91%
2005	6.29%	7.29%	5.01%	-0.49%	-0.27%	1.81%	-2.87%	-1.51%	4.10%	-2.33%	2.88%	8.73%	31.64%
2004	0.19%	0.16%	0.49%	-3.41%	0.78%	2.60%	4.36%	-0.80%	3.22%	1.42%	-0.29%	1.61%	10.59%
2003	2.34%	6.21%	-0.44%	0.61%	0.82%	3.00%	-1.93%	-0.99%	2.01%	4.85%	3.78%	-1.27%	20.33%

Performance since inception¹ of Strategy



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Strategy summary

Strategy	Market Neutral, Pairs	Domicile	Australia	Status	Open
AUM	A\$133.9m	Currency	AUD	Manager	Bennelong Long Short Equity Management Pty Ltd

¹ Since inception of the strategy (February 2002) return is a composite of net returns of the Bennelong Long Short Equity Fund (Wholesale Fund) since July 2008 and the net returns of the Bennelong Securities Long Short Equity Fund (Managed Account) from February 2002 to June 2008.

² Gearing calculated subject to variations in accruals.

³ The returns highlighted in bold are net returns of the Bennelong Long Short Equity Fund (pretax). The returns not bolded are "pro forma" net returns of the Bennelong Securities Long Short Equity Fund (Managed Account) (pretax) Jan 03 to Jun 08.

The Fund is managed by Bennelong Long Short Equity Management Pty Limited, a Bennelong Funds Management boutique.

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