

ACADIAN WHOLESALE AUSTRALIAN EQUITY FUND

MARCH 2024

The Acadian Wholesale Australian Equity Fund strategy seeks to maximise risk-adjusted, long-term returns by investing in stocks listed on the Australian Securities Exchange while carefully controlling portfolio risk and transaction costs. The option aims to outperform the S&P/ASX 300 Accumulation Index over rolling four year periods before fees and taxes.

APIR Code	FSF0787AU
Inception Date	15 November 2005
Management Cost	0.81%
Buy / Sell spread	0.10/0.10%
Exit Unit Price	1.5736
Product Size	\$79 million
Benchmark	S&P / ASX 300 Accumulation Index

PERFORMANCE

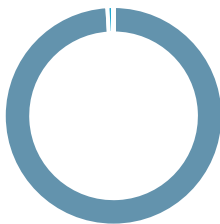
	FUND (GROSS)	FUND (NAV)	BENCHMARK	VALUE-ADDED VS. BENCHMARK
One-Month Return	3.6	3.5	3.3	0.2
Three-Month Return	6.8	6.6	5.4	1.1
Year-to-Date Return	6.8	6.6	5.4	1.1
One Year Annualized Return	15.6	14.7	14.4	0.3
Three Year Annualized Return	10.6	9.7	9.4	0.3
Five Year Annualized Return	10.4	9.4	9.1	0.3
Ten Year Annualized Return	9.7	8.7	8.3	0.5
SINCE INCEPTION ANNUALIZED RETURN	7.9	6.9	7.4	-0.5

TOP TEN HOLDINGS

	% OF PORTFOLIO
BHP GROUP LTD	8.5
COMMONWEALTH BANK OF AUSTRALIA	7.4
AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED	4.8
CSL LTD	4.8
WESTPAC BANKING CORP	3.9
WESFARMERS LTD	3.6
NATIONAL AUSTRALIA BANK LTD	3.5
GOODMAN GROUP	2.4
ARISTOCRAT LEISURE LTD	2.3
BRAMBLES LTD	2.1
NUMBER OF SECURITIES	111
% OF PORTFOLIO FOR TOP 10 CURRENT HOLDINGS	43.2
% OF NON-BENCHMARK PORTFOLIO HOLDINGS	2.5

CURRENT POSITIONING - REGION

ABSOLUTE



■ AU/NZ	97.6%
■ NAM	0.9%
■ EUR	0.0%

CURRENT POSITIONING - SECTOR

ABSOLUTE



■ FIN	27.5%
■ MAT	24.1%
■ HTH	8.6%
■ DIS	8.5%
■ IND	7.6%
■ REI	6.2%
■ ENR	5.8%
■ TCH	4.2%
■ STP	3.0%
■ COM	2.6%
■ UTL	0.4%

This strategy is accessible through a fund. Colonial First State Investments Limited is the responsible entity for this fund, ABN 98 002 348 352 AFS Licence 232468. Please refer to the latest Product Disclosure Statement and Target Market Determination document available on the following website <http://www.colonialfirststate.com.au> for the terms and conditions of investing into the fund.

Returns that include the most recent month are preliminary. All returns are calculated on an annualised basis using exit price to exit price with distributions reinvested, net of management costs, transaction costs. All return calculations exclude any individual taxes payable by the investor and all other fees and rebates disclosed in the relevant product disclosure statements available on our website or by calling us. The 'distribution' component is the amount paid by the way of distribution, which may include net realised capital gains. Portfolio holdings are subject to change and should not be considered a recommendation to buy or sell individual securities. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the Fund will contain the same investments as the benchmark. Investors have the opportunity for losses as well as profits. Past performance is no guarantee of future results. Index Source: Copyright © 2024, Standard & Poor's Financial Services LLC. All rights reserved.

ACADIAN WHOLESALE AUSTRALIAN EQUITY FUND

QUARTERLY REVIEW

Fund Performance and Activity

The fund returned 6.57% versus returns of 5.43% for the S&P/ASX 300 Accumulation Index over the quarter. Stock selection contributed to the active return, while sector allocation detracted.

Key sources of positive active return included stock selection in materials, industrials, and health care. Leading advances within these sectors respectively were positions in CSR, Brambles and Cochlear. Detractors included stock selection within consumer staples and an underweight position to real estate. Leading declines within these sectors in turn included a positions in Woolworths Group and Goodman Group.*

Key Holdings¹

Positive

Our overweight to CSR Ltd., an industrials company, was rewarded with 32 basis points of active return as the share price rose 33.6% over the quarter. The company has been benefiting from a strong cash position, operational efficiency, and strength in its building products unit. CSR recently agreed to a \$4.3 billion buyout bid from France's Saint-Gobain.

Negative

Our overweight to South32 Ltd, a diversified metals and mining company, cost the fund 14 basis points of active return as share price fell 5.9% over the quarter. The company has suffered from falling manganese ore, copper, and metallurgical coal production. South32 expects its full-year growth output to fall 3% this year due to production problems and plant power outages.

Market Review

Australian equities (S&P/ASX 300 Accumulation Index) rallied 5.4% in Q1 2024 due to cooling inflation, hopes of a soft landing by the global economy and indications of rate cuts by major central banks. The Reserve Bank of Australia (RBA) held the rate steady at 4.35% throughout the period, due to easing inflation and signs that economic growth had slowed drastically, on high borrowing costs. The central bank acknowledged that while the CPI has continued to decline, progress has been slower than expected. Economists believe that the RBA will wait for further signs that inflation is cooling before cutting rates in the latter half of the year. While inflation remains above the RBA's target, the apex bank is confident that it will return to 2-3% range by 2025. While goods price inflation had softened during the period, strong domestic demand and cost pressures kept service inflation consistently high. Australia's manufacturing-sector woes continued in the first quarter, with the manufacturing PMI declining to 47.3 by the end of the quarter due to a sharp decline in output, high interest rates and declining export orders. Consumer confidence also remained low amid concerns about the near-term outlook for the economy. Fuel prices remained high, and household savings remained under pressure, due to high borrowing costs. On the labour-market front, data released in February showed that unemployment fell to its lowest level since September 2023, decreasing to 3.7%.

From a sector perspective, information technology (+23.6%) was the largest contributor, and real estate (+16.2%) the second largest. Materials stocks (-6.3%) fell the most during the period.

Outlook and Strategy

The global economy surpassed growth expectations in 2023 withstanding a number of headwinds, such as high inflation and central banks' monetary tightening. The momentum continued in the first quarter of 2024 on strong labor markets and cooling inflation.

The International Monetary Fund (IMF) believes that resilience in the U.S. and emerging market economies will drive global growth in the next two years. It expects the global economy to grow 3.1% in 2024 and 3.2% in 2025. With prices falling faster than expected in most regions, the global lending agency expects headline inflation to cool to 5.8% this year and to 4.4% in 2025.

On the upside, the likelihood of a hard landing has reduced due to disinflation and steady economic growth. Furthermore, as disinflation gains pace, financial conditions could ease further. However, a potential spike in commodity prices due to geopolitical uncertainties could prolong tighter monetary conditions. This may impact developed markets more as emerging markets started raising interest rates sooner and, thus, will likely have more room to cut rates to stimulate growth. The IMF expects growth in developed economies to slow to 1.4% in 2024 from 1.5% in 2023 due to the impact of monetary tightening, leaving a very small margin for policy error on the part of developed markets' central banks. In contrast, macroeconomic conditions for emerging markets have been improving marginally since end-2023, primarily due to resilient global growth and financial conditions easing. However, there is likely to be significant growth divergence across emerging-market economies. Growth is expected to moderate in countries that outperformed in 2023 – i.e., Brazil, Mexico, and India – due to the lagged effects of high interest rates and an eventual slowdown in the U.S. economy.

The U.S. Energy Information Agency (EIA) expects global demand for oil to grow in 2024, albeit at a slower pace. However, global oil production is likely to suffer due to OPEC+ extending crude oil production cuts, causing a significant reduction in oil inventories thus increasing oil prices. The EIA expects the Brent crude oil spot price to average \$88 per barrel in the second quarter. Furthermore, persistent uncertainty due to attacks targeting commercial ships crossing the Red Sea shipping channel could also lead to further escalation in oil prices.

Meanwhile, the Reserve Bank of Australia expects growth within the Australian economy to remain subdued in the near term as cost-of-living pressures and inflation continue to weigh on household consumption. However, consensus estimates are forecasting the RBA to cut its cash rate by 75bps in H2 2024.

¹Top contributing/detracting individual positions over the period as measured by basis point impact. *This should not be considered a recommendation to buy or sell any specific security. Colonial First State Investments Limited ("CFS") is the responsible entity for this fund, ABN 98 002 348 352, AFS Licence 232468. You can find the target market determinations (TMD) for this fund at www.cfs.com.au/tmd, which include a description of who a financial product might suit. You should also read the relevant Product Disclosure Statement (PDS) and Financial Services Guide (FSG) carefully, assess whether the information is appropriate for you, and consider talking to a financial adviser before making an investment decision. You can get the PDS and FSG at www.cfs.com.au or by calling CFS on 13 13 36. The information provided has been prepared by Acadian from our internal records. It is not intended to replace the official records of your account that you receive directly from the custodian. You are encouraged to compare the information provided to you by Acadian to that provided by the custodian and to contact us with any questions. The specific countries, sectors, and individual stocks discussed herein are non-exclusive and are provided as representative of the portfolio's performance during the period. For a complete list of markets, sectors, and stocks in which the portfolio was invested during the period and the performance of each, please contact Acadian. Please note that Acadian's system of portfolio attribution uses certain estimates and assumptions and the calculations provided herein are based upon Acadian's internal records and not those maintained by the Custodian. Additional details about our method of calculation will be furnished upon request. Reference to the benchmark is for comparative purposes only and is not intended to indicate that the portfolio will or did contain the same investments as the benchmark. This review contains confidential information of Acadian Asset Management LLC. Market conditions are subject to change. Past performance is no guarantee of future returns. Attribution data is gross of fees.

WANT MORE INFORMATION?

If you are a Financial Adviser or Wholesale Client:

Please contact Mark Mukundan, SVP, Director, Wholesale Markets – 0411 615 685 or contact Acadian on (02) 9093 1000 or email us at australiaclientservice@acadian-asset.com

If you are a Personal Investor or Retail Client:

Speak with your Financial Adviser about the suitability of our products, in light of your investment needs, objectives and financial situation. Please read the product disclosure statement (PDS) and Target Market Determination (TMD) document for the Fund issued by Colonial First State Investments Limited (ABN 98 002 348 352, AFSL 232468) before making an investment decision. You can download the PDS and TMD from <https://www3.colonialfirststate.com.au/personal/resources/pds.html> or contact Colonial on 13 18 36 (8am to 7pm Sydney time)

This material has been prepared by and is issued by Acadian Asset Management LLC and Acadian Asset Management (Australia) Limited, collective referred to in this material as Acadian. This material is directed at persons who are professional, sophisticated or wholesale clients and has not been prepared for and is not intended for persons who are retail clients and must not be reproduced or transmitted in any form without the prior written consent of Acadian. This material contains general information only. It is not intended to provide you with financial product advice and does not take into account your objectives, financial situation or needs.

GENERAL LEGAL DISCLAIMER

These materials provided herein may contain material, non-public information within the meaning of the United States Federal Securities Laws with respect to Acadian Asset Management LLC, BrightSphere Investment Group Inc. and/or their respective subsidiaries and affiliated entities. The recipient of these materials agrees that it will not use any confidential information that may be contained herein to execute or recommend transactions in securities. The recipient further acknowledges that it is aware that United States Federal and State securities laws prohibit any person or entity who has material, non-public information about a publicly-traded company from purchasing or selling securities of such company, or from communicating such information to any other person or entity under circumstances in which it is reasonably foreseeable that such person or entity is likely to sell or purchase such securities.

Acadian provides this material as a general overview of the firm, our processes and our investment capabilities. It has been provided for informational purposes only. It does not constitute or form part of any offer to issue or sell, or any solicitation of any offer to subscribe or to purchase, shares, units or other interests in investments that may be referred to herein and must not be construed as investment or financial product advice. Acadian has not considered any reader's financial situation, objective or needs in providing the relevant information.

The value of investments may fall as well as rise and you may not get back your original investment. Past performance is not necessarily a guide to future performance or returns. Acadian has taken all reasonable care to ensure that the information contained in this material is accurate at the time of its distribution, no representation or warranty, express or implied, is made as to the accuracy, reliability or completeness of such information.

This material contains privileged and confidential information and is intended only for the recipient/s. Any distribution, reproduction or other use of this presentation by recipients is strictly prohibited. If you are not the intended recipient and this presentation has been sent or passed on to you in error, please contact us immediately. Confidentiality and privilege are not lost by this presentation having been sent or passed on to you in error.

Acadian's quantitative investment process is supported by extensive proprietary computer code. Acadian's researchers, software developers, and IT teams follow a structured design, development, testing, change control, and review processes during the development of its systems and the implementation within our investment process. These controls and their effectiveness are subject to regular internal reviews, at least annual

Before making an investment decision, you should consider whether this information is appropriate in light of your investment needs, objectives and financial situation. Total returns shown for the Fund or any Portfolio have been calculated using exit prices after taking into account all ongoing fees and assuming reinvestment of distributions. Past performance is no indication of future performance. The product disclosure statement (PDS) for the Acadian Wholesale Australian Equity Fund, FSF0787AU (Fund) issued by Colonial First State Investments Limited (ABN 98 002 348 352, AFSL 232468) (CFSIL) should be considered before making an investment decision. CFSIL is a subsidiary of the Commonwealth Bank of Australia (Bank). The Bank and subsidiaries thereof do not guarantee the performance of the Fund or the repayment of capital by the Fund. Investments in the Fund are not deposits or other liabilities of the Bank or its subsidiaries, and investment-type products are subject to investment risk including loss of income and capital invested. To the extent permitted by law, no liability is accepted by the Bank or any affiliates thereof for any loss or damage as a result of any reliance on this information. This information is, or is based upon, information that we believe to be accurate and reliable, however neither Acadian, the Bank nor any affiliates thereof offer any warranty that it contains no factual errors. In Australia 'Colonial', 'Colonial First State' and 'CFS' are trade marks of Colonial Holding Company Limited and 'Colonial First State Investments' is a trade mark of the Bank and all of these trade marks are used by Acadian under license. Copyright © Acadian Asset Management LLC 2024 All rights reserved.

independent review by our SOC1 auditor. However, despite these extensive controls it is possible that errors may occur in coding and within the investment process, as is the case with any complex software or data-driven model, and no guarantee or warranty can be provided that any quantitative investment model is completely free of errors. Any such errors could have a negative impact on investment results. We have in place control systems and processes which are intended to identify in a timely manner any such errors which would have a material impact on the investment process.

Acadian Asset Management LLC has wholly owned affiliates located in London, Singapore, and Sydney. Pursuant to the terms of service level agreements with each affiliate, employees of Acadian Asset Management LLC may provide certain services on behalf of each affiliate and employees of each affiliate may provide certain administrative services, including marketing and client service, on behalf of Acadian Asset Management LLC.

Acadian Asset Management LLC is registered as an investment adviser with the U.S. Securities and Exchange Commission. Registration of an investment adviser does not imply any level of skill or training.

Acadian Asset Management (Singapore) Pte Ltd, (Registration Number: 199902125D) is licensed by the Monetary Authority of Singapore. It is also registered as an investment adviser with the U.S. Securities and Exchange Commission.

Acadian Asset Management (Australia) Limited (ABN 41 114 200 127) is the holder of Australian financial services license number 291872 ("AFSL"). It is also registered as an investment adviser with the U.S. Securities and Exchange Commission. Under the terms of its AFSL, Acadian Asset Management (Australia) Limited is limited to providing the financial services under its license to wholesale clients only. This marketing material is not to be provided to retail clients.

Acadian Asset Management (UK) Limited is authorized and regulated by the Financial Conduct Authority ("the FCA") and is a limited liability company incorporated in England and Wales with company number 05644066. Acadian Asset Management (UK) Limited will only make this material available to Professional Clients and Eligible Counterparties as defined by the FCA under the Markets in Financial Instruments Directive, or to Qualified Investors in Switzerland as defined in the Collective Investment Schemes Act, as applicable.



GLOBAL AFFILIATES

Boston London Singapore Sydney

ACADIAN-ASSET.COM