

ALC Active Australian Equities Fund Monthly Report August 2026

The ALC Active Australian Equities fund rose 2.32% in August, against the ASX 200 up 1.54%, representing outperformance of 0.78%. The fund delivered 11.44% over the last 12 months, outperforming the market by 7.03%.

Global equities regained their poise in August, with the MSCI World Index rising 2.6% in USD terms (year-to-date +13.4%). The rebound was broad-based, with growth (+2.6%) and value (+2.6%) rising in lockstep, and Asia Pacific and US markets leading while the UK and continental Europe lagged. The S&P 500 hit fresh all-time highs mid-month before pulling back into month-end as bond yields stayed elevated, closing +2.7%. Sector leadership broadened beyond the Magnificent 7, with Energy, Technology, Materials and Healthcare all outperforming, while Utilities and Industrials lagged.

The AI trade regained momentum after July's sharp de-rating, though performance remained fragmented. Another blockbuster Nvidia print (Nvidia +10% vs Broadcom lower) capped a stellar Q2 reporting season, lifting the 2026 global EPS growth estimate to a striking 34% y/y. Software outperformed semiconductors for a second straight month, a reversal of the earlier "SaaSocalypse" narrative, as investors rewarded companies demonstrating tangible AI monetisation over pure infrastructure exposure. Korea and Taiwan rebounded sharply from July's rout (+6.9% and +6.5% respectively), though Korea lagged despite SK Hynix and Samsung announcing increased buybacks and dividends.

US-Iran tensions remained an uneasy stalemate rather than escalating further, with Brent holding near multi-month highs around US\$90-100/bbl. Washington shifted toward secondary sanctions rather than military escalation, while diesel crack spreads stayed tight. The standout macro theme was the return of the "dollar debasement" trade: US Treasury Secretary Bessent's surprise announcement to at least double long-dated bond buybacks reignited fiscal sustainability concerns, sending gold up ~9-10% to a three-month high (US\$4,437/oz) and silver up 15%+. The USD Index fell around 0.2-0.5% despite a weaker yen.

The ASX 200's modest headline gain (+1.5%) masked the fifth sharpest sectoral dispersion in the past decade, a near-27pt spread across the table. Healthcare delivered the standout performance, climbing 18.1% in a welcome return to form for the beleaguered sector, although it remains well off its 52-week high. Materials (+12.3%) and Utilities (+7.4%) rounded out the top three, with Resources (+11.4%) overall well ahead of Industrials (-2.3%). At the other end of the spectrum, the rate-and-domestic-cyclical cohort buckled under rising yields and a squeezed consumer, with Cyclical Retail/Discretionary down double digits, REITs -6.4% and Financials -5.3% bearing the brunt of the downdraft as markets priced a greater chance of a further RBA hike following hotter-than-expected July CPI. ASX results delivered a +15ppt net EPS beat for the June half despite a net sales miss, margin resilience via cost-out and productivity offsetting soft revenue. Capital returns were a positive surprise too, with a net DPS beat of +23ppt. Consensus FY27 earnings growth has been progressively downgraded to ~9%, with resources doing the heavy lifting on FY26 growth (ex-resources growth closer to 5%).

Fund Facts	
APIR	ETL2310AU
ARSN	668 391 302
Fund Inception	27/07/2023
Strategy inception	31/12/2018
Management Fee	2.21%
Performance Fee	20.50% over benchmark
Buy/Sell Spread	0.20% / 0.20%
Portfolio manager	Julian Scott
Registry	APEX
Auditor	PwC
Responsible Entity	EQT
Custodian	UBS, Citi, BNP
Unit Price	1.2166

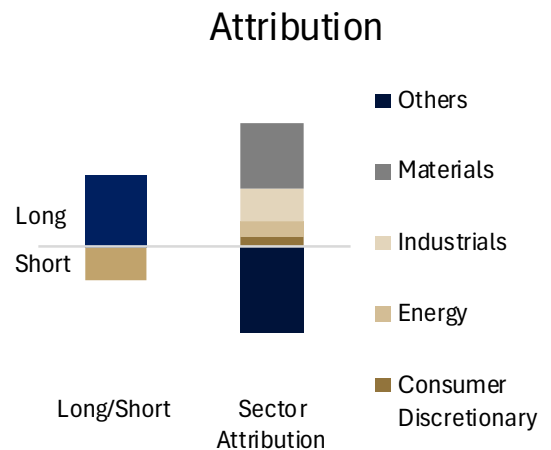
Performance	
August Return	2.32%
Alpha – August	0.78%
Annualised Return since Inception	-0.46%
6 Month Return	-29.93%
One Year Rolling Return	11.44%
Volatility	30.93%
Sharpe Ratio ¹	0.44

Portfolio	
Longs	70
Shorts	36

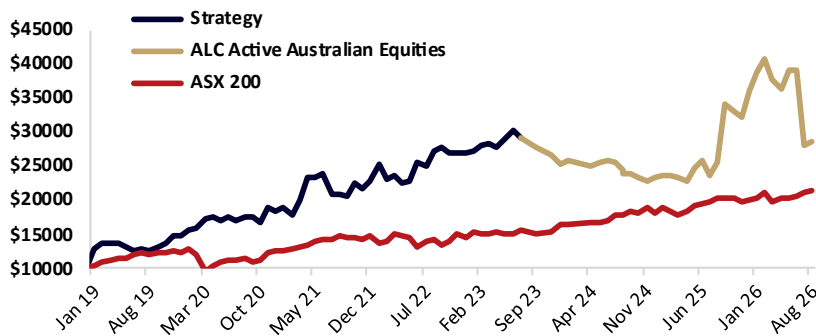
Returns	1 Month	3 Months	6 Months	1 Year	2 Years p.a.	Since inception p.a.*
ALC Active Australian Equities Fund	2.32%	-26.71%	-29.93%	11.44%	9.23%	-0.46%
ASX 200	1.54%	4.54%	0.32%	4.40%	9.45%	10.40%
Active Performance Fund	0.78%	-31.25%	-30.25%	7.03%	-0.22%	-10.85%

Performance is reported net of all fees. Returns greater than one year are annualized. Past performance is not a reliable indicator of future returns. *The inception date of the ALC Active Australian Equities Fund is 27/07/2023

Exposures as % of NAV	Long	Short	Net
Communication Services	2%	-9%	-7%
Consumer Discretionary	5%	-20%	-15%
Consumer Staples	0%	-3%	-3%
Energy	3%	0%	3%
Financials	3%	0%	3%
Health Care	18%	-10%	8%
Industrials	10%	-3%	7%
Information Technology	15%	0%	15%
Materials	40%	-10%	31%
Real Estate	0%	-11%	-11%
Utilities	0%	0%	0%
Total	98%	-65%	33%



ALC Active Australian Equities Fund Growth of \$10,000



Past performance is no indication of future performance. Investments may rise and fall in value and returns cannot be guaranteed.

Fund Strategy

The ALC Active Australian Equities Fund invests in ASX-listed companies using a research-led process that begins with idea flow from industry networks, corporate access, and market research. Ideas are tested via fundamental and technical analysis—assessing valuation, catalysts, macro settings, and liquidity—to inform sizing and timing.

The portfolio is actively managed and continuously monitored, with positions adjusted as conviction and market conditions evolve.

Meet the Manager



Julian Scott Portfolio Manager

Julian Scott is a seasoned investment professional with over 25 years of global trading experience across asset classes.

He has managed portfolios across Asia-Pacific, with a focus on fundamental long/short trading, relative value and liquidity. Previously, Julian held senior portfolio management and trading roles at Segantii Capital Management, Goldman Sachs, Morgan Stanley, UBS, where he ran various long/short trading strategies.

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ALC Active Australian Equities Fund's Target Market Determination is available <https://www.eqt.com.au/insto>. A Target Market Determination describes who this financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed.