

Ausbil Global Resources Fund

Monthly performance update

October 2024

Ausbil Investment Management Limited
ABN 26 076 316 473
AFSL 229722
Level 27
225 George Street
Sydney NSW 2000
GPO Box 2525
Sydney NSW 2001
Phone 61 2 9259 0200

'Fundamentally, copper markets appear tighter than recent price performance suggests'

Performance Review

Fund performance for the month of October 2024 was -2.46% (net of fees), underperforming the Fund's Bloomberg AusBond Bank Bill Index benchmark. US elections and uncertainty around Chinese stimulus saw equity market activity reduce as investors waited for certainty around the US political environment. With the election of Trump on November 5, focus shifts to the impact of his trade, economic and energy policies. Political instability continues in the Middle East as well as uncertainty from the Russian Ukraine conflict, with tensions increasing in the Middle East in particular.

Key contributors for the month came from our long exposure to Gold (primarily Regis Resources, Bellevue Gold and Evolution Mining) and Uranium (primarily Uranium Energy Corp, Cameco Corp, NexGen and Boss Energy). Detractors for the month came from our long exposure to Battery Materials (Primarily Latin Resources, Pilbara Minerals and IGO) and from Diversifieds (primarily in BHP and Rio Tinto).

Commodity prices were largely down in the month of October. Western expectations on Chinese stimulus continued to disappoint. Base metals were weaker, with Nickel down 10.5%, Copper down 3.3%, Zinc down 0.8% and Aluminium down 0.7%. Comparatively, precious metals continued to rally on the back of a US led rate cutting cycle and political instability, Silver was up 4.8% and Gold rose 4.2%. Bulk commodities were mixed, with Iron Ore up 6.2%, but Metallurgical Coal down 12.6% and Thermal Coal down 0.7%. Oil traded up slightly with Brent and WTI ending up 1.9% and 1.6% respectively.

Outlook

The US elected Trump as president to a resounding positive response from markets, however, policy uncertainty and potential tariffs are likely to fuel ongoing volatility in an otherwise positive environment for equities. Following a recent trip to China, we witnessed ongoing support for the broader Chinese economy. We believe 'big bang' stimulus is unlikely, but that the Chinese government will continue to gently support their economy to ensure economic recovery and to support consumer sentiment. Fundamentally, although geopolitical concerns remain, resource markets are tight across most commodities, which we believe will continue to support pricing in the medium to long term.

Strategy

The Fund remains positioned long key commodities where we see positive supply demand dynamics. Our core exposures remain copper, battery materials and Uranium. Fundamentally, copper markets appear tighter than recent price performance suggests following limited investment, supply disruptions, and with an improved demand outlook benefiting from a number of secular emerging growth trends. Battery materials demand within China is strong, with supply reducing at key mines likely, suggesting we are near the bottom of the market. Uranium has undergone a fundamental shift in the availability of excess inventory.

Returns as at 31 October 2024

Period	Fund %	Bench-mark ¹ %	Out/Under Performance %
	Net		Net
1 month	-2.46	0.37	-2.83
3 months	-0.21	1.12	-1.33
6 months	-18.24	2.23	-20.47
1 year	-33.42	4.45	-37.87
2 years pa	-34.63	4.05	-38.69
3 years pa	-30.92	2.94	-33.87
4 years pa	-11.82	2.21	-14.02
5 years pa	-6.84	1.86	-8.71
Since inception pa	-5.47	1.84	-7.32

Date: 31 May 2018

Market Exposure

Exposure (month end)	%
Long	106.54
Short	-36.42
Net	70.11
Gross	142.96

Largest 5 Long Positions by Company

Company	%
1. Freeport-McMoRan	5.8
2. Rio Tinto	5.7
3. Bellevue Gold	5.4
4. Cameco	5.2
5. Ivanhoe Mines	5.1


Largest 5 Short Positions by Sector

Sector	%
Company 1 Iron Ore Mining	-4.7
Company 2 Integrated Oils	-4.1
Company 3 Copper	-4.0
Company 4 Battery Materials	-3.5
Company 5 Gold Mining	-3.4

Regional Exposure

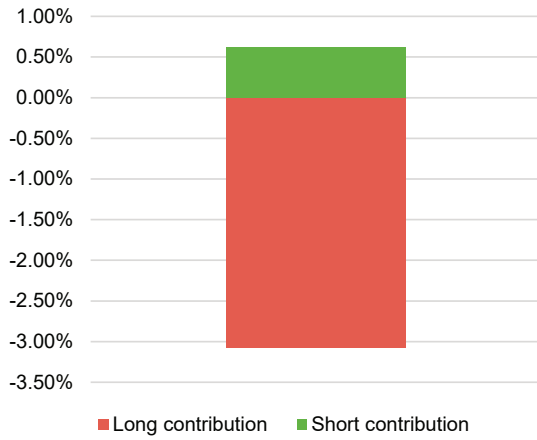
Region	Long %	Short %	Gross %	Net %
Australia	66	-26	92	41
Canada/US	36	-11	47	25
Europe	4	0	4	4
Other	0	0	0	0
Total	107	-36	143	70

1. The benchmark is the Bloomberg AusBond Bank Bill Index.

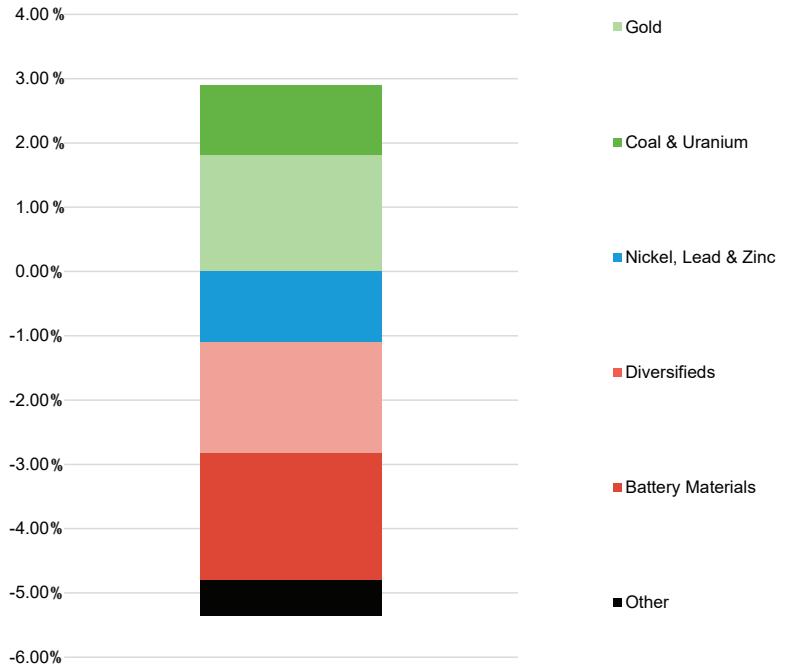
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Contribution of Alpha - Net of fees (Month of October)

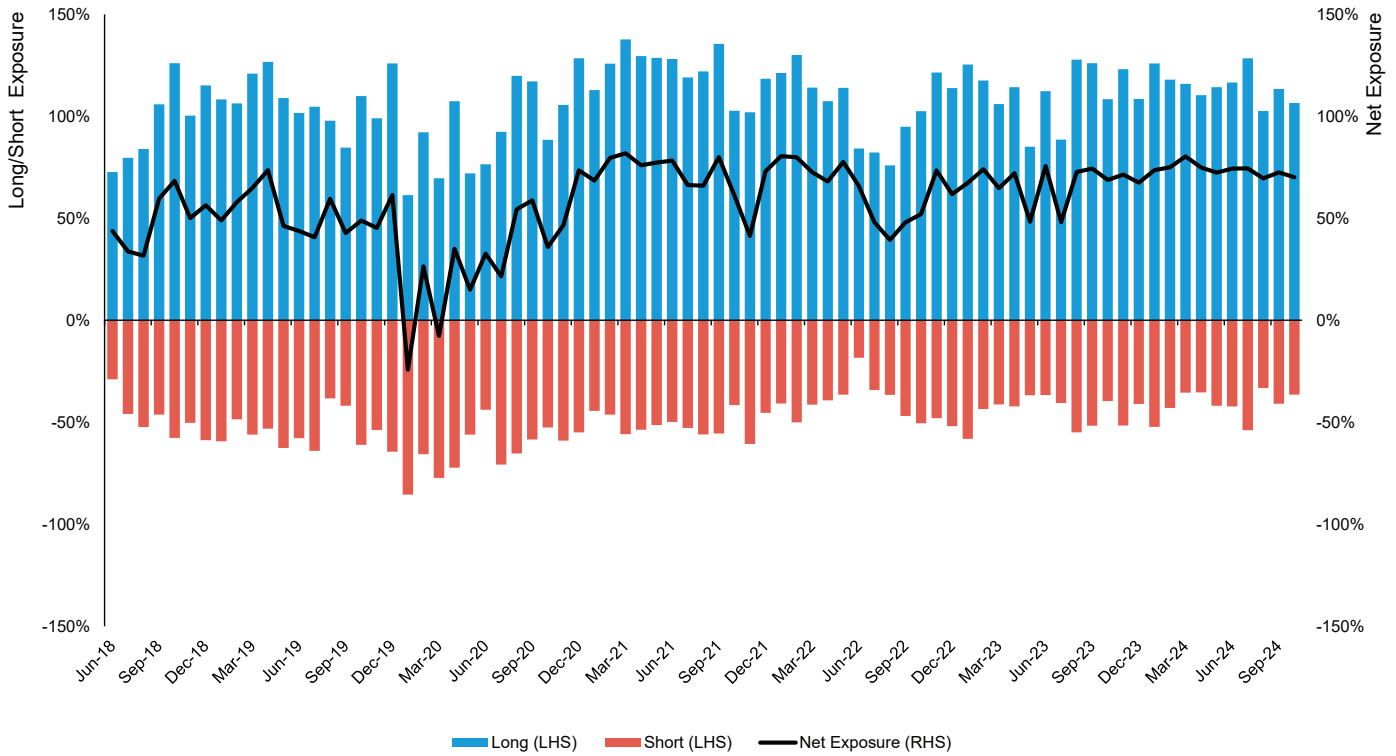
Contribution, Long vs short



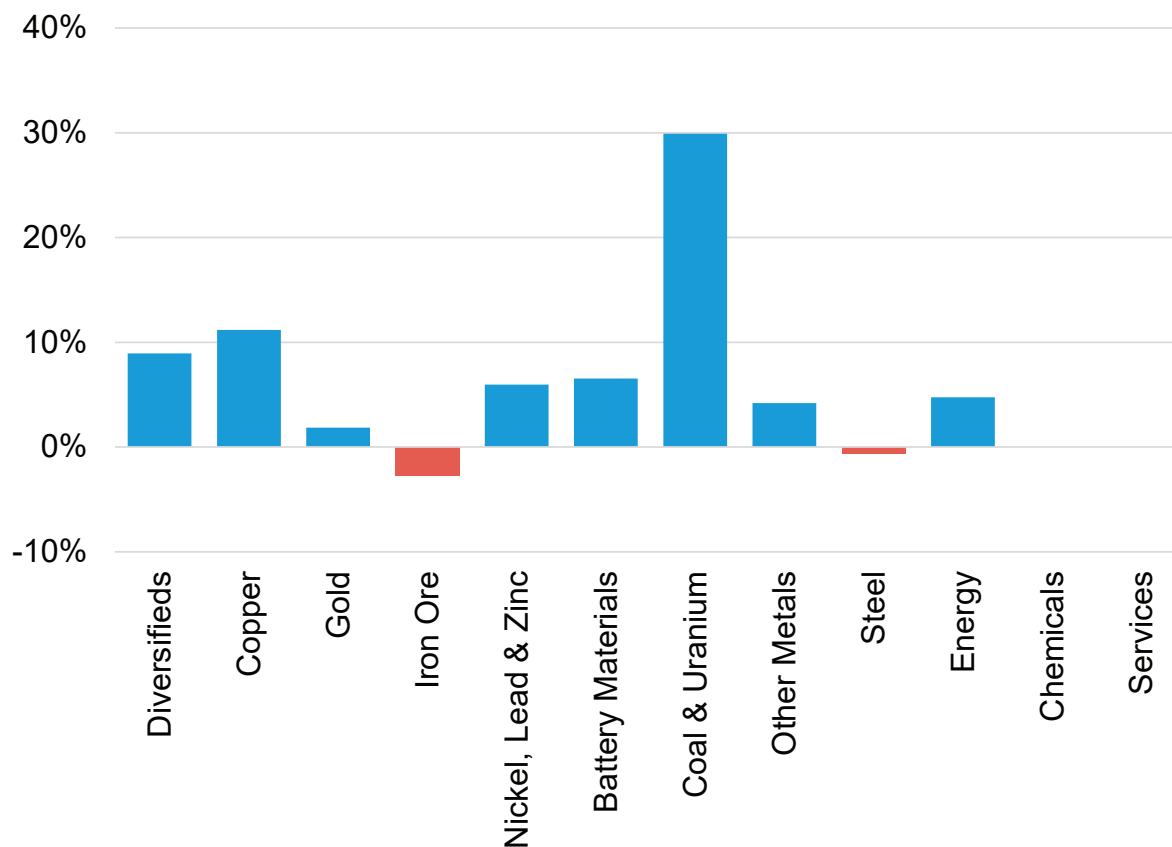
Contribution, by Sub Commodity



Ausbil Global Resources Fund - Long, Short and Net Exposures



Commodity Net Exposure



Ausbil Investment
Management Limited
Level 27
225 George Street
Sydney NSW 2000
Australia
Toll Free 1800 287 245

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