

Monthly Market Commentary

Global equity markets were mixed in February. Beneath the headline index moves, rotation intensified and dispersion across regions, sectors and individual stocks increased.

Notable in this dynamic was renewed weakness in US mega-cap stocks. This partly related to investors' growing unease around potential returns from AI capex, plus concerns over the apparent circularity of funding this capex. Hardest hit amongst this cohort was Amazon, which saw its shares drop 12% for the month after announcing FY capex guidance of \$200bn, 33% above consensus. Concerns around AI disruption potential also saw investors sell perceived losers, most notably software stocks.

Against this backdrop, Information Technology and other mega-cap growth exposed sectors, such as Consumer Discretionary and Communication Services, fell by more than 3% during the month.

On the flip side, sectors dominated by real-asset owners, and exposure to higher commodity prices, displayed meaningful outperformance. Energy and Materials were up 8.5% and 10.5% respectively, along with Industrials which rose 6.8%. Defensive sectors did well, helped in part by falling yields, with Utilities and Staples up more than 8%. Financials were weak, down 1.5%, with concerns around lending to software companies and signs of emerging stress in the private credit market weighing on shares.

Dispersion was pronounced on a regional basis. In Asia, Japan's Nikkei225 continued pushing higher in February, up 10.4% in local currency terms, buoyed by PM Takaichi's pro-growth agenda and resounding election victory. Performance in China was more muted with the Shanghai Composite Index up 1.1% for the month.

European bourses were broadly stronger, benefitting from less exposure to software, some good economic updates and outsized weightings to materials and energy. The UK's FTSE led the way, up 6.7%, followed by the French CAC40 and German DAX, which finished up 5.6% and 3.0% respectively.

In contrast, US performance was more mixed with large caps down for the month. Market cap weighted indices underperformed their equal weighted equivalents and small caps. The NASDAQ and S&P500 fell 3.4% and 0.87%, respectively. The S&P500 Equal-Weighted Index rose 3.4%, delivering its fourth consecutive quarter of relative outperformance, while small caps were also stronger with the S&P600 Small Cap Index up 2.1% for the month.

The AUD gained 2.2% against the USD in February while the Bloomberg Commodity Index rose 0.8% with renewed precious metal strength offsetting weakness elsewhere. WTI Oil prices were also stronger, up 2.8% on rising geopolitical risks. The VIX rose 2.4 points to close at 19.86, while yields on 10yr US Treasuries fell 30bps to close at 3.94%, the largest monthly decline since February 2025.

Against this backdrop, the Fund returned +0.05% for the month.

Oil and gas producer, EOG Resources was the biggest contributor to performance in February, with shares benefitting from higher oil prices. US-based insurer, Chubb was also a meaningful contributor with shares rising after a well-received Q4 result. Recruitment and consulting group, Robert Half was the biggest detractor with continued subdued employment outlook in the US weighing on shares.

In terms of new positions, the Fund gained exposure to Allstate, one of the largest auto insurers in the US. The company has demonstrated a long track record of profitable underwriting, translating to consistently high ROE and solid growth in book value per share, averaging some 9% per annum since 2016. With the shares trading at around 8x P/E, and with most capital returned to shareholders, we think Allstate is attractively priced.

We believe the most compelling way to compound clients’ wealth is by utilising multiple return sources to deliver superior risk-adjusted investment outcomes.

- Long-term compounding of investor wealth
- Multiple sources of return
- Quarterly distributions
- Risk focused investment mindset



The investment process behind the Talaria Global Equity Fund takes a high conviction, value biased approach to construct a portfolio of high quality, large cap companies from around the globe. Our unique investment methodology harnesses the benefits of consistent income generation and capital appreciation to grow investors’ real wealth.

Performance as at 28 February 2026¹

	1 Month	3 Months	6 Months	1 Year	3 Years (pa)	5 Years (pa)	7 Years (pa)	10 Years (pa)	Since Inception (pa) ²
Total Return	0.05%	-0.68%	0.84%	1.83%	7.39%	9.47%	7.84%	7.92%	7.47%
Avg. Market Exposure⁴	51%	54%	56%	58%	60%	58%	58%	59%	61%

¹ Fund Returns are calculated after fees and expenses and assume the reinvestment of distributions.
² Inception date for performance calculation is 1 October 2005.
³ Past performance is not a reliable indicator of future performance.

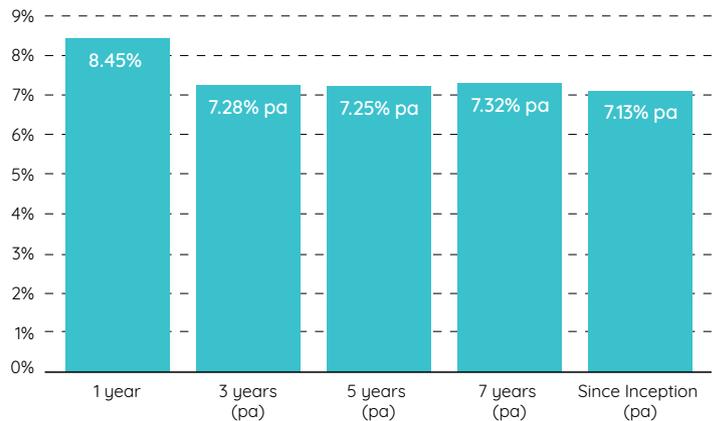
⁴ Average Market Exposure calculated on delta-adjusted exposure of underlying portfolio. Since inception market exposure is calculated from 1 October 2005.

Growth of \$100,000 Since Inception⁵



⁵ Calculations are based on exit price, net of management fees and expenses and assumes reinvestment of distributions Past performance is not a reliable indicator of future performance.

Annual Distributions⁶



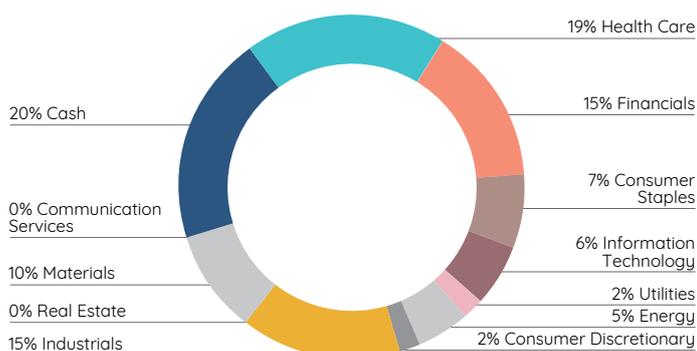
⁶ Illustrates Distribution Returns for the Talaria Global Equity Fund - Foundation Units for the financial year ending 30 June 2025. Inception date is 1 October 2005.

Top 10 Holdings⁷

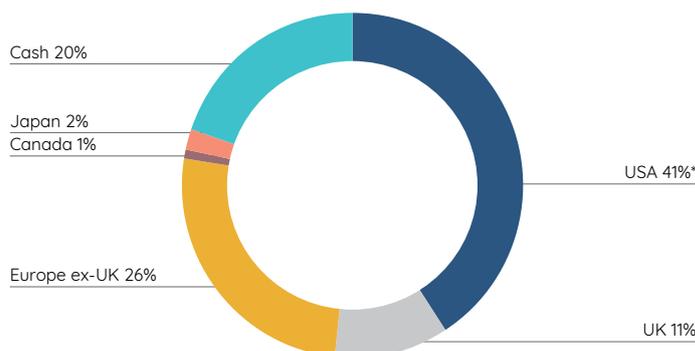
Company Name	Holding	Country	Sector	Description
Newmont	5.3%	USA	Materials	One of the top 3 gold producers in the world
GSK	5.2%	United Kingdom	Health Care	One of the world's largest pharmaceutical companies
Exor	4.7%	Netherlands	Financials	A diversified holding company
Bunzl	4.4%	United Kingdom	Industrials	Multinational distribution and outsourcing business
Everest Group	4.4%	USA	Financials	Leading global provider of reinsurance and insurance services
EOG Resources	4.2%	USA	Energy	One of North America's largest independent oil and gas producers
Bayer	3.9%	Germany	Health Care	Multinational pharmaceutical and life sciences company
Essity	3.8%	Sweden	Consumer Staples	A global health and hygiene company based in Sweden
Chubb	3.7%	USA	Financials	Global property and casualty insurance company
Roche	3.7%	Switzerland	Health Care	A global leader in cancer treatments

⁷ Weightings include option positions held and cash backing put options. It assumes that put options will be exercised. Should the put option not be exercised the cash will revert to the unencumbered cash portfolio or may be used to cover further put options.

Sector Allocation⁸



Regional Allocation⁹



^{8,9} Weightings include option positions held and cash backing put options. It assumes that put options will be exercised. Should the put option not be exercised the cash will revert to the unencumbered cash portfolio or may be used to cover further put options.

* USA includes American Depositary Receipts (ADRs) listings.

Fund Snapshot

Management Fee	Nil	Inception Date	1 October 2005
Performance Fee	20% - subject to High Watermark	Liquidity	Daily
Distributions	Quarterly	Availability	Wholesale Clients Only
Minimum Investment	\$50,000	Buy / Sell Spread	0.20% / 0.20%

Important Information

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