

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 Complex ETF 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%	-0.93%	0.66%	1.22%	8.08%	10.31%	8.51%	8.40%	7.28%
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 18 August 2008.
³ Past performance is not a reliable indicator of future performance.

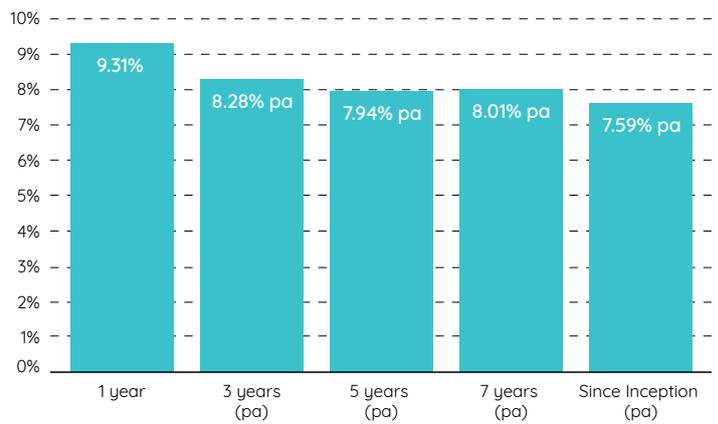
⁴ Average Market Exposure calculated on delta-adjusted exposure of underlying portfolio. Since inception market exposure is calculated from September 2008.

Growth of \$10,000 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



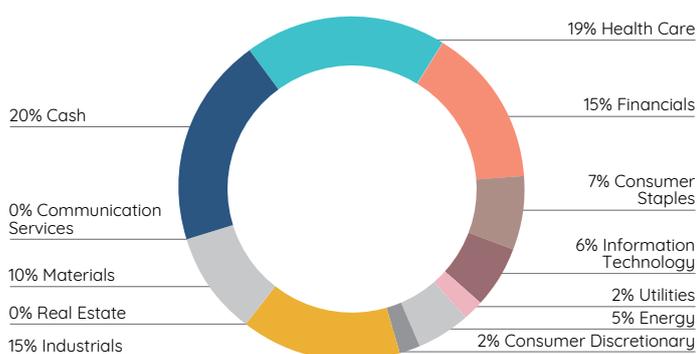
⁶ Illustrates Distribution Returns for the Talaria Global Equity Fund Complex ETF Units for the financial year ending 30 June 2025. Inception date is 18 August 2008.

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

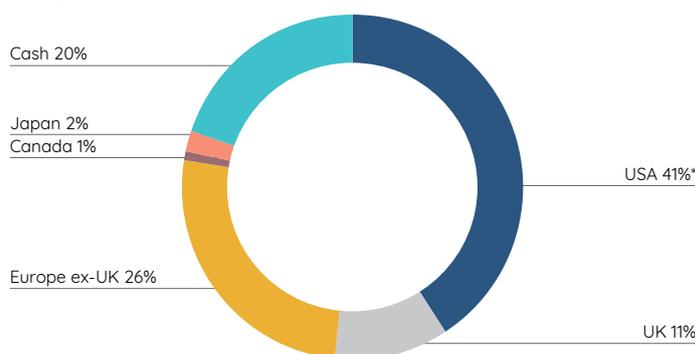
⁷ Weightings include option positions held and cash backing put options. It assumes that put options will be exercised. Should the put option not be exercised the cash will revert to the unencumbered cash portfolio or may be used to cover further put options.

Sector Allocation⁸



^{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.

Regional Allocation⁹



* USA includes American Depositary Receipts (ADRs) listings.

Fund Snapshot

APIR Code	AUS0035AU	Inception Date	18 August 2008
Management Fee	1.16% p.a. of the net asset value of the Fund plus Recoverable Expenses	Liquidity	Daily
Recoverable Expenses	Estimated to be 0.12% of net asset value of the Fund each Financial Year	Exit Price	\$4.83350 (28 Feb 2026)
Major Platform Availability	Asgard, Ausmaq, BT Panorama, BT Wrap, CFS Edge, CFS FirstChoice, Dash, Expand, Hub24, IconiQ, IOOF Pursuit, Linear, Macquarie, Mason Stevens, Netwealth, North, Powerwrap, Praemium	Buy / Sell Spread	0.20% / 0.20%
		Distributions	Quarterly
		Minimum Investment	\$5,000

Important Information

Equity Trustees Limited ("Equity Trustees") (ABN 46 004 031 298), AFSL 240975, is the Responsible Entity for the Talaria Global Equity Fund Complex ETF ("the Fund"). Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT). This report has been prepared by Talaria Asset Management (Talaria) to provide you with general information only. In preparing this information, we did not take into account the investment objectives, financial situation or particular needs of any particular person. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. Neither Talaria, Equity Trustees nor any of its related parties, their employees or directors, provide any warranty of accuracy or reliability in relation to such information or accepts any liability to any person who relies on it. Past performance should not be taken as an indicator of future performance. You should obtain a copy of the Product Disclosure Statement before making a decision about whether to invest in this product. Talaria Global Equity Fund Complex ETF's Target Market Determination is available [here](#). A Target Market Determination is a document which is required to be made available from 5 October 2021. It 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. The Zenith Investment Partners (ABN 27 103 132 672, AFS Licence 226872) ("Zenith") rating (assigned November 2025 for fund AUS0035AU) referred to in this piece is limited to "General Advice" (S766B Corporations Act 2001) for Wholesale clients only. This advice has been prepared without taking into account the objectives, financial situation or needs of any individual, including target markets of financial products, where applicable, and is subject to change at any time without prior notice. It is not a specific recommendation to purchase, sell or hold the relevant product(s). Investors should seek independent financial advice before making an investment decision and should consider the appropriateness of this advice in light of their own objectives, financial situation and needs. Investors should obtain a copy of, and consider the PDS or offer document before making any decision and refer to the full Zenith Product Assessment available on the Zenith website. Past performance is not an indication of future performance. Zenith usually charges the product issuer, fund manager or related party to conduct Product Assessments. Full details regarding Zenith's methodology, ratings definitions and regulatory compliance are available on our Product Assessments and at Fund Research Regulatory Guidelines. The rating issued 04/2025 is published by Lonsac Research Pty Ltd ABN 11 151 658 561 AFSL 421 445 (Lonsac). Ratings are general advice only, and have been prepared without taking account of your objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The rating is not a recommendation to purchase, sell or hold any product. Past performance information is not indicative of future performance. Ratings are subject to change without notice and Lonsac assumes no obligation to update. Lonsac uses objective criteria and receives a fee from the Fund Manager. Visit [lonsac.com.au](https://www.lonsac.com.au) for ratings information and to access the full report. © 2025 Lonsac. All rights reserved. The Genium rating (assigned May 2025) presented in this document is issued by Genium Investment Partners Pty Ltd ABN 15 165 099 795, which is a Corporate Authorised Representative of Genium Advisory Services Pty Ltd ABN 94 304 403 592, AFSL 246580. The Rating is limited to "General Advice" (S766B Corporations Act 2001 (Cth)) and has been prepared without taking into account the objectives, financial situation or needs of any individual, including target markets of financial products, where applicable, and is subject to change at any time without notice. Past performance information is for illustrative purposes only and is not indicative of future performance. It is not a recommendation to purchase, sell or hold the relevant product(s). Investors should seek independent financial advice before making an investment decision in relation to this financial product(s). Genium receives a fee from the Fund Manager for researching and rating the product(s). Visit [genium.com.au](https://www.genium.com.au) for information regarding Genium's Ratings methodology. The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by Talaria Asset Management. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

