

## ACADIAN GLOBAL EQUITY LONG SHORT FUND

MARCH 2025

The Acadian Global Equity Long Short Fund seeks to maximise risk-adjusted, long-term returns by investing in undervalued stocks and short selling overvalued stocks from around the world, while carefully controlling portfolio risk and transaction costs. The option aims to outperform the MSCI World Index over rolling four-year periods before fees and taxes.

<b>APIR Code</b>	FSF1978AU
	FSF0788AU
<b>Inception Date</b>	04 May 2006
<b>Management Cost</b>	0.92%
<b>Buy / Sell spread</b>	0.05%
<b>Exit Unit Price</b>	4.9101
<b>Product Size</b>	\$589 million
<b>Benchmark</b>	MSCI World Index

### PERFORMANCE

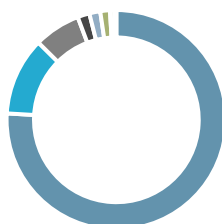
	FUND (GROSS)	FUND (NAV)	BENCHMARK	VALUE-ADDED VS. BENCHMARK
One-Month Return	-6.5	-6.6	-4.7	-2.0
Three-Month Return	-1.5	-1.8	-2.4	0.6
Year-to-Date Return	-1.5	-1.8	-2.4	0.6
One Year Annualized Return	6.2	4.9	12.1	-7.2
Three Year Annualized Return	24.1	22.5	14.5	8.1
Five Year Annualized Return	26.4	24.8	15.7	9.1
Ten Year Annualized Return	17.3	15.9	11.7	4.2
SINCE INCEPTION ANNUALIZED RETURN	10.9	9.8	8.5	1.4

### TOP TEN HOLDINGS

	% OF PORTFOLIO
AMAZON.COM INC	3.8
ALPHABET INC	3.6
NVIDIA CORP	3.5
APPLE INC	3.5
META PLATFORMS INC	3.3
ROCHE HOLDING AG	2.5
BOOKING HOLDINGS INC	2.5
NETFLIX INC	2.4
EQUITABLE HOLDINGS INC	2.3
SPOTIFY TECHNOLOGY SA	2.2
NUMBER OF SECURITIES	556
% OF PORTFOLIO FOR TOP 10 CURRENT HOLDINGS	29.6

### CURRENT POSITIONING - REGION

% OF GROSS EXPOSURE



NAM	75.8%
EUR	11.5%
EM	6.8%
HK/SG	1.8%
AU/NZ	1.6%
ME	1.4%
UK	0.6%
JP	0.3%

### CURRENT POSITIONING - SECTOR

% OF GROSS EXPOSURE



TCH	22.6%
COM	16.7%
FIN	14.4%
DIS	12.5%
HTH	10.7%
IND	10.1%
ENR	4.4%
STP	3.4%
MAT	3.2%
REI	1.1%
UTL	0.7%

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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: MSCI Copyright MSCI 2025. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI.

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## QUARTERLY REVIEW

### Fund Performance and Activity

The portfolio outperformed its benchmark<sup>1</sup> by 61 basis points for the quarter ending March 31, 2025. Contributing returns from stock selection were offset partially due to negative payoffs from country allocations. Key sources of positive active return included an opportunistic exposure to China, a combination of stock selection and an overweight position in Singapore, and stock selection in Canada. Leading advances within these markets respectively included net short positions in Structure Therapeutics, Bitdeer Technologies Group, and Energy Fuels. Detractors included a combination of stock selection and an underweight position in the United Kingdom, and underweight positions in France and Germany. Leading declines within these markets included a position in Atlassian, and lack of exposure to TotalEnergies and Rheinmetall.\*

### Key Holdings<sup>2</sup>

#### Positive

Our overweight in Spotify Technology, the Swedish audio streaming and media service provider, was rewarded with 57 basis points of active return as share prices rose 23.3% during the quarter. Spotify is benefiting from continued growth in subscriptions. In the fourth quarter, monthly active users increased by 12%, reaching 675 million, while premium subscriptions hit 263 million. Moreover, Spotify achieved its first full-year profit since it was founded in 2008 during this period.

#### Negative

Our overweight in Wix.com Ltd., a web development company, cost the portfolio 45 basis points of active return as share prices fell 27.3% in the period. The company remarked on heightened forex volatility which led to declines. Furthermore, rising trade tensions and the potential for a global recession have negatively impacted the stock's performance.

### Market Review

In Q1 2025, global equity markets experienced significant volatility amid a complex macroeconomic backdrop, falling 2.7% in the period. The frequent changes and announcements regarding tariffs created an atmosphere of uncertainty, rattling the markets and giving rise to fears of a recession. February saw the introduction of new tariffs on imports from Mexico, Canada, and China, which set the stage for continued market turbulence in March. The U.S. administration further announced tariffs on steel, aluminum, and automobiles, causing increased economic instability. Despite these headwinds, European markets remained resilient, driven by a boost in defense spending. Emerging markets outperformed the developed markets, led by strong performances from Chinese and Korean stocks. China's economy performed well, with strong retail sales and industrial output supporting asset markets. In response to the rising uncertainty, investors moved toward safe-haven assets, driving gold prices sharply higher toward the end of the quarter.

### Outlook and Strategy

Global markets opened the year on a positive footing, buoyed by initial optimism surrounding President Trump's second term. However, sentiment quickly shifted as markets reacted negatively to a series of policy announcements from the administration, particularly the rollout of new tariff measures. Much of the first quarter of 2025 was overshadowed by escalating trade tensions and fears of a broader trade war. In February, the U.S. imposed a 10% tariff on a range of Chinese imports, which was followed by an increase to 20% in March. In response, China levied retaliatory tariffs on a variety of U.S. goods—including energy—and introduced export restrictions on certain critical minerals. Additional friction arose as the U.S. extended 25% tariffs to Canadian and Mexican imports. Toward the end of the quarter, fresh announcements of 25% levies on imported automobiles and car parts further unsettled global markets.

The Organisation for Economic Co-operation and Development (OECD) expects global GDP growth to decelerate modestly from 3.2% in 2024 to 3.1% in 2025, and 3.0% in 2026. Recent indicators suggest a weakening global outlook, with both business and consumer confidence softening across multiple regions. The potential fragmentation of the global economy remains a key headwind to global economic growth. Furthermore, concerns over high trade barriers in many G20 economies and increased policy uncertainty are likely to continue to weigh on business investment and household spending this year.

The OECD also expects inflation to remain a pressing concern in many economies, with headline inflation rising again in several economies. While it projects overall inflation to remain higher than anticipated, prices are likely to moderate as economic growth slows. In the G20 economies, headline inflation is forecast to drop from 3.8% in 2025 to 3.2% in 2026. However, the underlying inflation is projected to stay above central bank targets in many countries in 2026.

The International Monetary Fund (IMF) believes that even a 10% rise in U.S. tariffs and the resulting reciprocal levies from the euro region and China are likely to reduce U.S. GDP by roughly 1% and global GDP by 0.5% by 2026. Experts opine that more than half of this decline would be driven by the negative sentiment related to increasing uncertainty around trade policies.

The U.S. Energy Information Administration (EIA) expects global oil inventories to contract in the second quarter of 2025, largely due to reduced output in Iran and Venezuela. As a result, Brent crude prices are forecast to rise from around \$70 per barrel to \$75 by the third quarter. However, inventories are projected to increase later in the year and into 2026, as OPEC+ begins to unwind production cuts and non-OPEC supply continues to grow.

<sup>1</sup>MSCI World Index (net). <sup>2</sup>Top contributing/detracting individual positions over the period as measured by basis point impact. For illustrative purposes only. \*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](http://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](http://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.

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