

# Yarra Australian Share Fund

## Gross returns as at 30 April 2026

	1 month %	3 months %	1 year %	3 years % p.a.	5 years % p.a.	10 years % p.a.	Since inception* % p.a.
Yarra Australian Share Fund <sup>^</sup>	4.02	-1.34	11.08	7.26	7.77	8.16	10.16
S&P/ASX 200 Accumulation Index	2.18	-1.22	10.12	9.65	8.35	9.30	9.34
Excess return (before fees) <sup>‡</sup>	1.84	-0.12	0.96	-2.39	-0.58	-1.14	0.81

Past performance is not a reliable indicator of future performance. Taxes payable by investors have not been taken into account. The figures shown have been provided for illustrative purposes – they are unaudited and subject to change. The total returns shown are gross of all fees, meaning they do not reflect the deduction of any investment management fees which would reduce returns and assume reinvestment of all distributions. Investment in the fund is not available on a fee free basis and this should be factored into any analysis of past performance.

## Net returns as at 30 April 2026

	1 month %	3 months %	1 year %	3 years % p.a.	5 years % p.a.	10 years % p.a.	Since inception* % p.a.
Yarra Australian Share Fund <sup>^</sup>	3.95	-1.53	10.32	6.50	7.02	7.40	9.34
S&P/ASX 200 Accumulation Index	2.18	-1.22	10.12	9.65	8.35	9.30	9.34
Excess return (after fees) <sup>‡</sup>	1.77	-0.31	0.20	-3.15	-1.33	-1.90	0.00

Past performance is not a reliable indicator of future performance. Taxes payable by investors have not been taken into account. The figures shown have been provided for illustrative purposes – they are unaudited and subject to change. The total returns shown are prepared on an exit to exit basis – they include all ongoing fees and expenses and assume reinvestment of all distributions.

\* Inception date of the Yarra Australian Share Fund: March 1995.

<sup>^</sup> Effective 2 January 2026, the Yarra Australian Equities investment team was appointed to assume investment management of the Fund in place of the Tyndall Asset Management investment team. The Fund was also renamed the Yarra Australian Share Fund (previously named the Tyndall Australian Share Wholesale Fund). There were no changes made to the Fund's investment objective or strategic asset allocation.

<sup>‡</sup> Excess return: The difference between the portfolio's return and the benchmark return.

## Market review

Markets rebounded in April as renewed AI related optimism outweighed concerns around the closure of the Strait of Hormuz and effects of the Iran conflict. However, returns towards the latter end of the month were subdued by concerns around sustained inflation and a possible rate hike by the Reserve Bank of Australia.

The S&P/ASX 200 Accumulation Index returned +2.2% for the month, taking its 12-month return to +10.1%. The broader S&P/ASX 300 Accumulation Index returned +2.2%, whilst globally, the MSCI World Index delivered +8.9% for the month.

Financials (+2.9%) was the largest contributor, supported by capital markets and insurance strength. Banks also rose on expectations of sustained net interest margins. Macquarie Group (MQG, +16.4%) and ASX (ASX, +16.3%) were standout performers, alongside gains in Commonwealth Bank of Australia (CBA, +3.6%). Zip Co (ZIP, +56.8%) also rose strongly.

Materials (+4.3%) also contributed, led by BHP Group (BHP, +6.6%). Mineral Resources (MIN, +18.8%). BlueScope Steel (BSL, +15.8%) also performed well.

Information Technology (+13.3%) delivered strong gains, with AI enthusiasm driven strength in data centres and software.

NextDC (NXT, +27.8%), Codan (CDA, +33.3%) and WiseTech Global (WTC, +12.4%) were the key contributors. NextDC rose following a large contract win while Codan rose on another update to guidance.

Real Estate (+8.1%) also supported returns, led primarily by Goodman Group (GMG, +15.8%) which rose strongly on renewed positive sentiment on data centres. Scentre Group (SCG, +11.8%) also performed well.

Health Care (-8.7%) was the largest detractor during the period driven largely by Cochlear (COH, -44.4%) following a guidance cut. CSL (CSL, -11.7%) and ResMed (RMD, -7.4%) also declined.

Consumer Staples (-4.1%) detracted, driven by declines in Woolworths (WOW, -5.6%) and a2 Milk (A2M, -26.0%), partly offset by strong gains in Treasury Wine Estates (TWE, +16.7%).

## Portfolio review

### Key Contributors

**NextDC (NXT, overweight)** – the leading Australian data centre owner and developer outperformed during the month after announcing its largest ever contract – a 250MW contract anchoring its S4 data centre with a AAA credit rated hyperscaler. NXT has now grown contracted capacity to

667MW, a 172% increase this financial year, with contracted EBITDA reaching \$2bn. The scale of the growth has caused funding challenges for NXT, however multiple sub debt deals and a \$1.5bn equity raising now see them well placed to deliver the rapid build out.

**Block (XYZ, overweight)** – the payments technology company outperformed during April, as payment stocks in general performed well. XYZ has provided the market with FY26 and FY28 guidance, backed by a broad pipeline of product initiatives. XYZ trades on an appealing cash flow yield of 7.4% which we view as highly attractive for a company growing earnings >30%.

**Tabcorp Holdings (TAH, overweight)** – the wagering operator outperformed during the period following a positive readthrough from its listed competitor Entain and confirmation of in-play betting approval from the VGCCC. Lead indicators of TAH's growth strategy have been encouraging as the company captured market share, with progress on its in-venue, tote unification and media strategies evident. In our view TAH has continued to execute on its turnaround, leaving the company well placed to benefit from an improvement in the domestic wagering market and operating leverage.

### Key Detractors

**Macquarie Group (MQG, underweight)** – Macquarie performed strongly during the month following the announcement of the sale of a UK meters business which will release sufficient profits such that it comfortably meets consensus earnings expectations for 2H26. The disruption and volatility in energy markets globally post the Iran War, also bodes well for earnings from MQG's commodity business.

**ResMed (RMD, overweight)** – shares in the global leader of sleep apnea treatment softened over the period. The driver of this performance is more likely to be linked to the growth in weight loss drugs (GLP-1's) and the prospect of a return of one of their competitors in the US marketplace. While growth in GLP-1 adoption to-date has been associated with accelerating RMD sales, the market continues to view this trend as a risk, rather than an opportunity to accelerate market penetration. Given the substantial market potential, operational leverage, and compelling valuation (FY26 P/E below 20.0 times), we maintain our overweight recommendation.

**Goodman Group (GMG, underweight)** – an underweight position in the industrial and data centre exposed property owner, developer and manager detracted from returns over the period. GMG's share price was supported following the announcement of a JV with DataBank in the USA (LAX01). While the deal helps to de-risk earnings, we note deal earnings were likely already embedded in expectations, rather than being incremental. Within the data centre space, we see preferred exposure via NextDC, which was also well supported in the period following news of a new contract.

## Market outlook

Australian equity markets rebounded in April 2026, stabilising after March's sharp sell-off as investors looked through ongoing volatility in the Middle East and refocused on earnings delivery and the AI capex cycle. The S&P/ASX 200 Index rose 2.2% over the month, recouping a portion of March's losses, with leadership concentrated in growth/technology and domestically-oriented defensives while energy and parts of resources lagged as oil price volatility eased from early-month extremes.

Global equities staged a powerful recovery in April as strong US corporate results and renewed enthusiasm for AI-related investment outweighed lingering geopolitical concerns. The S&P 500 Index surged 10.5% for the month, with broader risk appetite improving across developed and emerging markets. For Australian-based unhedged investors, currency moves again mattered: the Australian dollar strengthened versus the US dollar over April (reducing the translation benefit from offshore equities), partially offsetting the strong increase in global equity prices within unhedged return outcomes.

Bond markets steadied in April as the inflation impulse from the Middle East energy shock became better understood and risk sentiment improved. Global fixed income posted a modestly positive month (the Bloomberg Global Aggregate was up around 1.2%), supported by tighter credit spreads even as headline inflation risks remained elevated. Commodity performance remained energy-led: Brent crude was highly volatile but stayed elevated on continued disruption risk around the Strait of Hormuz, while gold eased modestly over the month (down ~1.1%) after March's sharp drawdown.

Looking forward, the trajectory of the Iran conflict and the path of oil and freight markets remain the key swing factors for near-term risk pricing. April's rally highlighted markets' willingness to look through uncertainty when earnings and liquidity conditions are supportive; however, with the Strait of Hormuz still a focal point for supply disruption risk, the probability of renewed inflation volatility remains material.

Domestically, the Reserve Bank of Australia's (RBA) May decision delivered a further 25bp increase in the cash rate target to 4.35%, with the Board emphasising that inflation risks remain tilted to the upside, and a further rate hike cannot be ruled out. The Statement on Monetary Policy placed particular weight on the inflation impulse from higher fuel and related commodity prices and the risk of second-round pass-through into broader goods and services prices, especially given underlying inflation had already picked up around the start of 2026 amid ongoing capacity pressures. The Board also noted that short-term measures of inflation expectations have risen and judged that inflation is likely to remain above target for some time, warranting a tighter policy stance despite heightened uncertainty around the growth outlook. However, the RBA also observed that financial conditions have tightened further via higher wholesale rates, bond yields and a firmer exchange rate, and noted that financial conditions are now likely restrictive. As demand slows (as we expect in coming months) we expect the RBA will likely remain on hold for the balance of 2026 before easing policy in mid-2027.

For markets, the June quarter is likely to remain volatile as investors weigh geopolitics against earnings delivery and the evolving path of global policy, with currency moves continuing to play an outsized role in unhedged returns. Our base case remains gradual de-escalation in Iran and near-term earnings downgrades in Australia. Against that backdrop, we see scope for further volatility for equity markets through the remainder of the June quarter and September quarter of 2026. More positive sentiment is likely following the end of the earnings downgrade cycle, lower energy prices and the prospect of easier policy in 2027 coming to fruition.

We are most overweight stocks within the Communication Services, Information Technology and Materials sectors, and are underweight Financials, Industrials and Consumer Discretionary.

## Sector allocation

	Portfolio %	Benchmark %	Active %
Communication Services	8.50	3.70	4.80
Consumer Discretionary	3.85	6.39	-2.55
Consumer Staples	1.28	3.52	-2.24
Energy	4.50	4.80	-0.30
Financials	23.09	34.48	-11.39
Health Care	7.21	5.46	1.75
Industrials	4.27	7.13	-2.86
Information Technology	6.58	2.10	4.49
Materials	29.72	25.03	4.69
Real Estate	4.61	5.86	-1.26
Utilities	5.46	1.53	3.94

## Top 3 holdings

	Portfolio %	Benchmark %	Active %
BHP	13.62	10.36	3.27
Commonwealth Bank of Australia	9.89	11.03	-1.15
Westpac	7.08	5.00	2.08

## Key active positions

Overweights	Portfolio %	Benchmark %	Active %
NextDC	4.01	0.41	3.60
BHP Group	13.62	10.36	3.27
Origin Energy	3.75	0.79	2.96
Underweights			
National Australia Bank	0.00	4.64	-4.64
ANZ	0.72	4.19	-3.47
Macquarie Group	0.00	3.16	-3.16

Portfolio holdings may not be representative of current or future investments. The securities discussed may not represent all of the portfolio's holdings and may represent only a small percentage of the strategy's portfolio holdings. Future portfolio holdings may not be profitable.

## Income and growth

	1 year %	3 years % p.a.	5 years % p.a.	10 years % p.a.
Growth return	-7.27	-5.64	-3.69	-1.68
Distribution return	17.60	12.14	10.71	9.09

The Growth Return is measured by the movement in the Fund's unit price (inclusive of fees), ex-distribution, and can be positive or negative as the unit price can fluctuate with changes in the underlying market value of the Fund's assets. The Distribution Return is the amount that is paid to unitholders by way of income distribution in a 12-month period. It does not include capital distributions.

## Features

Investment objective	To outperform the S&P/ASX 200 Accumulation Index by more than 2.5% p.a. over rolling five-year periods, before fees, expenses and tax.	
Recommended investment time frame	5 - 7 + years	
Fund inception	March 1995	
Fund size	A\$201.2 mn as at 30 April 2026	
APIR code	TYN0028AU	
Estimated management cost	0.80% p.a.	
Buy/sell spread	+/- 0.15%	
Platform availability	CFS Edge Hub24	Insignia Expand Netwealth

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## Applications and contacts

Investment into the Yarra Australian Share Fund can be made by Australian resident investors only.

**Website** [www.yarracm.com](http://www.yarracm.com)

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