



oracle  
advisory  
group

# QUARTERLY UPDATE

ISSUE 47 - Q1 2026



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PORTFOLIOS >>

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# Oracle Q1 2026 Market Update

**By Peter Durbin**  
Chief Investment Officer

**The recently ended March 2026 quarter was as volatile as they come. And depending on what pockets of the market you were living in, it may have been far more or far less, than what the market as a whole experienced.**

As for headline numbers, I have collated a few monthly returns from major markets in each of the last 3 months:

Index	January 2026	February 2026	March 2026
S&P 500	1.4%	-0.9%	-5.1%
ASX All Ordinaries	1.6%	3.0%	-8.0%
UK FTSE 100	3.0%	6.8%	-6.7%
Europe STOXX 600	3.2%	3.7%	-8.0%
Japan Nikkei 225	5.9%	10.4%	-13.2%

January was generally a good month across the board. February was very good in most markets, but not in the US, where the S&P 500 was down slightly. But March bore the full brunt of the joint US and Iran war in Iran, and some markets felt it more than others.

The basic reason for the unease in markets is this: the war has disrupted the supply of oil coming out of the Middle East through the Persian Gulf, on which Iran sits. It is estimated that 20% of the world's Crude flows through the Gulf, and as a result of the war, Iran has effectively blocked the transit of oil carriers with their military. This has caused a severe spike in the oil price, rising over 75% from US\$71 per barrel at the end of February to US\$126 per barrel at the end of March.

Oil is a substantial input into the cost of much of the global economy. Anything that is manufactured needs to be transported, and most of that transport is powered by fossil fuels. This increases the cost to produce, which then flows through to increased costs to consumers, otherwise known as inflation. Higher inflation will lead to higher interest rates, and higher rates impact the valuations of equities negatively. This is the story that the ASX sectors tell when we look at the returns for March.

Energy	18.5%	Industrials	-8.8%
Utilities	3.5%	Consumer Discretionary	-8.9%
Consumer Staples	0.2%	Real Estate	-11.3%
Communications	-1.2%	Information Technology	-12.6%
Financials	-6.7%	Materials	-14.1%
Health Care	-7.1%		

Energy companies were, of course, the biggest winners. Utilities benefited a little because the sector is largely insulated from the shock, as the utilities on the ASX are either energy retailers (whereby the price of energy is simply passed on) or pipeline operators with built-in inflation protection in their pricing.

The majority of the remaining sectors were down percentages that we don't normally see. Materials were taken lower by the gold companies, which fell hard and have since recovered some, but our iron ore miners, such as BHP, Rio Tinto, and Fortescue, were not immune either. Information technology was down due to the impact of higher rates on valuations, but the threat of AI remains an overhang. I will discuss this in more detail later in this update.

Real Estate was largely impacted by higher rates, and Consumer Discretionary was likely the victim of lower consumer confidence, flowing through to lower expected profits by the market in future periods.

Earlier in the quarter, Anthropic's Claude AI tool upended certain stocks with rapid releases of new products purporting to replace some manual tasks in several industries. First, it was legal companies, as Claude demonstrated, that could automate contract reviews, non-disclosure agreement (NDA) triage, and compliance workflows—tasks that were previously the "moat" for legacy data providers.

Then it was software companies. Specifically, software-as-a-service companies. Companies like WiseTech, TechnologyOne, Pro Medicus, Life360, Workday, Salesforce, Adobe, and Atlassian were all off big. Of course, these companies have been declining for a few months now, but the fall was accelerated in January. The fear is that Claude's new Cowork plugin allows anyone with a web browser to provide instructions to Claude, and it will whip up some computer code that will enable either companies to replace the expensive software that they are using, or enable new startups to use AI to build a competitor at a significantly lower capital cost.

The tech is real, but it is yet to be proven how disruptive it will actually be to these companies' business models. Most companies seem to be taking the view that their business is so much more than just making some computer code available. Pro Medicus argues, for example, that their software is critical for those who are making life and death decisions, and they have relationships with the largest hospitals in the industry that are not easily replicated. They also have a strong reputation in the industry and a proven product. In healthcare, that counts for a lot.

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A company like Monday.com, however, could be more exposed to disruption, as it is not regulated, does not connect market participants via a platform, and is not mission-critical software. Something like Monday.com might be more easily replicable by someone motivated who knows the right prompts to make and who understands that the worst that will happen is they disrupt their own projects.

There will clearly be losers in the fallout of AI productivity. But software has been sold down across the board in an indiscriminate manner. This will inevitably produce opportunities, but we are cautious to step in while the knife is still falling.

### Precious metals volatility

We have spilled much digital ink in this column discussing our view on gold and silver, so I will not rehash our position again. However, both metals experienced unprecedented volatility through the quarter. Gold ended 2025 at US\$4,322/oz. On the last day of January, gold surpassed US\$5,600, up 30%. For the world's oldest store of value and what is a very deep market, this is extraordinary. However, by the end of March, this had fallen to around US\$4,670.

Silver followed a similar pattern, opening the quarter at \$71 and rising all the way to over \$120. At the end of January, it fell back down to around \$75, where it remains. While we remain bullish on both commodities in the medium term, we would not wish this volatility on our enemies.

While it is difficult to understand why this occurred, we believe it was due to almighty short covering by the big US banks in the silver market. Short covering involves buying the instrument you have sold short (ie, without owning it), and short covering usually occurs to minimise losses as the price increases. As the price increases further due to the short covering, the more urgent the buying becomes. This continued until the short covering was over, after which some level of equilibrium was found again.

There was also a dislocation of the price for physical silver and the price for paper silver. Physical silver was charging a significant premium over paper silver because accumulators are increasingly wanting to own the metal for security, rather than relying on promises in the market.

At its nadir, physical silver was being bought in the Shanghai market for US\$134/oz while it was being traded at \$118/oz in the United States. Anecdotally, physical silver could not be bought at the Perth Mint, ABC Bullion, or your local precious metals dealer. This just makes real just how significant the shortage really is.

Since then, gold and silver markets have been rather steady.

### New Fed Chair Announced

Of significant news was that President Trump announced the successor to Federal Reserve chair Jerome Powell, his last appointment 7 years ago. Trump announced that when Powell's term ends in May, Kevin Warsh will take the reins. This was actually the catalyst that broke the parabolic move in gold and silver at the end of the month because Warsh is historically a central bank hawk (one that favours higher interest rates), when the entire market was expecting a Fed chair that would take rates lower, as this is Trump's stated preference.

Indeed, we expected someone like Steven Miran, formerly Trump's chair of economic advisers until he was appointed a Fed governor in September last year, as he is a Trump loyalist. He recently voted for two rate cuts at the most recent Fed governors meeting, which we viewed as his job application to the role.

While Warsh has previously been known as a hawk, that doesn't necessarily mean he will push for higher rates today. What is more likely is that he will shrink the balance sheet (which is contractionary monetary policy) to enable lower rates (which is expansionary and helps Trump). But on top of that, what is more important is that Trump is no dummy. Although the Federal Reserve is independent, he absolutely would not have put someone in the chair if he thought they would raise rates. And despite the precious metals selloff, the bond market is saying they believe him, at least for now. The 2 year US government bond yield (which is a proxy for the market's expectation of the federal funds rate) continues to slide, and remains about 35 basis points lower than the official federal funds rate.

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## Shift in Portfolio Strategy

We continue to shift the portfolios in line with our comments over the past 12 months. With quality continuing to underperform, we continue to reduce our exposures to sectors that tend to be exposed to this theme, such as information technology, healthcare, and consumer discretionary, in favour of precious metals, materials, and industrials, which have been holding up in this market.

To put some numbers around this, and to reinforce our conviction in this new strategy, comparing the portfolios at the start of October to the end of January:

### In the Emerging Companies Portfolio :

- ◆ Gold went from being 1.6% underweight to 26% overweight;
- ◆ Other materials went from 13% underweight to 9.4% overweight,
- ◆ Consumer discretionary went from 2% overweight to 11% underweight, and
- ◆ Information technology went from 6.3% overweight to 3.8% underweight.

### In the Australian Equities Portfolio :

- ◆ Gold went from 6.8% overweight to 22% overweight;
- ◆ Materials went from 10% underweight to 7.5% overweight;
- ◆ Industrials went from 6.5% underweight to 3.4% overweight.
- ◆ Financials went from 4% underweight to 12.7% underweight,
- ◆ Information technology went from 9% overweight to equal weight, and
- ◆ Health care went from 5% overweight to 3.6% underweight.

These moves might seem aggressive, but it is our way of considering the macroenvironment first, which is favouring hard assets in a world that wants inflation-proof assets and those that have stood the test of time.

## Outlook

The war in Iran will continue to dominate headlines, and the state of the Strait of Hormuz will continue to be the linchpin on which markets are focused. That is, until they don't need to be. The state of the US balance sheet seems to be all but forgotten in the current environment, but it remains as important as ever to us. Indeed, the costs of the war (estimates at this early stage range from US\$100 billion to US\$350 billion) will only push the US debt levels in one direction.

We don't know when or how the war will end. It could be weeks, or it could be years. But we believe our portfolios are positioned for either outcome: with a high weighting towards real assets and defensive revenues in equities, and floating rate bonds in fixed interest. We see that it is most prudent to protect capital in the current environment.



**Ashley Cox**  
Portfolio Manager

## Oracle Executive Series of Model Portfolios

The March quarter was quite volatile with most risk assets selling off globally. This included a large spike in bond yields, following the commencement of widespread attacks on Iran by the USA and Israel.

The Oracle Executive Series models underperformed their relative benchmarks across most portfolios in the March quarter. The Balanced Fund, for example fell 3.03% which compares to the Benchmark's fall of 1.82%.

During the quarter, gold gained 2.50% in AUD terms, outperforming most other asset classes. Conversely, silver fell by 3.43% over the quarter. In the Global Equity sleeve, our exposure to Betashares Global Gold Miners Currency Hedged ETF (MNRS) and Global X Copper Miners AUD ETF (WIRE) impacted performance negatively. Pleasingly, these funds have both staged significant bounces during the month of April.

Australian and Global shares together with Property all decreased in value over the last quarter, due to rising oil prices, fears of rising inflation and interest rates.

A bright spot for the quarter was the Fixed Interest sleeve of the portfolio. As global bond yields rose, for reasons mentioned above, traditional fixed rate bonds (duration) sold off. Our positioning in managers with exposures primarily to floating rate bond managers saw the models benefit in this environment. We remain positioned to take advantage of higher interest rates.

Changes to the models for the quarter were :

### BOUGHT

- ◆ Betashares Global Gold Miners ETF (MNRS)
- ◆ Global X Copper Miners ETF (WIRE)

### SOLD

- ◆ Capital Group New Perspective Fund
- ◆ JP Morgan Global Select Fund

# Capital Stable Portfolio

The **Executive Series Capital Stable Portfolio** is a conservatively managed model portfolio focusing on investments that have modest to low capital risk and returns which are typically higher than fixed interest only investments.

It suits investors seeking a diversified portfolio that has a large exposure to interest-bearing securities (which provide a higher yield, but higher risk than cash investments) and a smaller exposure to capital at-risk sectors such as equities, property & infrastructure.

Asset Class	Actual
Cash	8%
Fixed Interest	68%
Aus Real Estate	0%
Int'l Real Estate and Infrastructure	0%
Aus Shares	11%
Emerging Equities	0%
Int'l Shares	3%
Alt Assets	10%

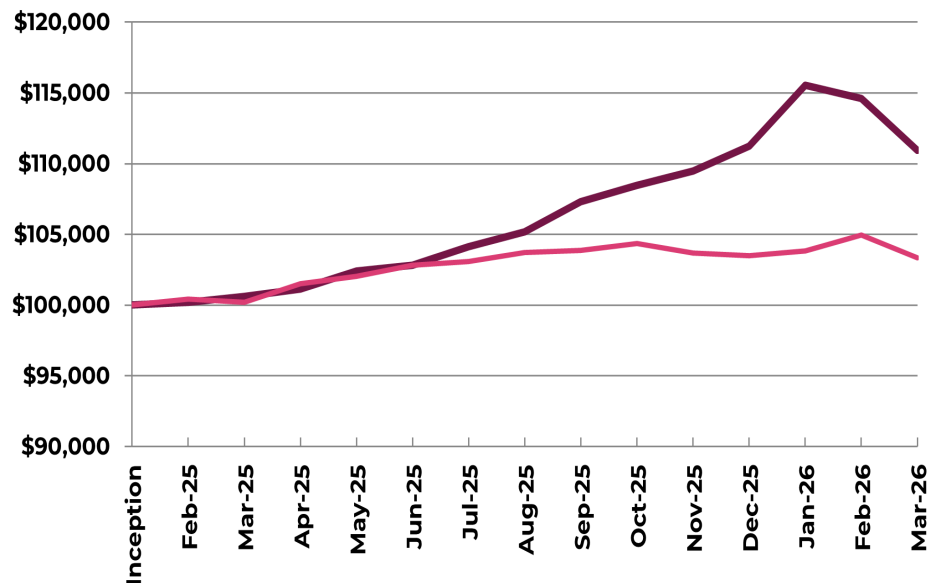
## Portfolio Performance

Rolling	Executive Series Capital Stable	Benchmark (Morningstar Australia Conservative Target Allocation)	Comparative Performance
1 month	-3.20%	-1.52%	-1.68%
3 month	-0.27%	-0.14%	-0.13%
6 month	3.39%	-0.51%	3.90%
1 year	10.24%	3.14%	7.10%
*Inception p.a. (01 Feb 2025)	9.30%	2.86%	6.44%

## Comparative Performance

### Executive Series Capital Stable vs Morningstar Australia Moderate Target Allocation

Executive Series Capital Stable (Dark Blue) vs Morningstar Australia Conservative Target Allocation (Light Blue)



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# Conservative Portfolio

The **Executive Series Conservative Portfolio** aims to achieve steady and defensive investment returns with an emphasis on income and a modest level of capital growth.

It suits investors seeking a diversified portfolio that has a large exposure to interest-bearing securities and a smaller exposure to real estate, and Australian and international shares.

Asset Class	Actual
Cash	6%
Fixed Interest	60%
Aus Real Estate	0%
Int'l Real Estate and Infrastructure	0%
Aus Shares	11%
Emerging Equities	0%
Int'l Shares	10%
Alt Assets	13%

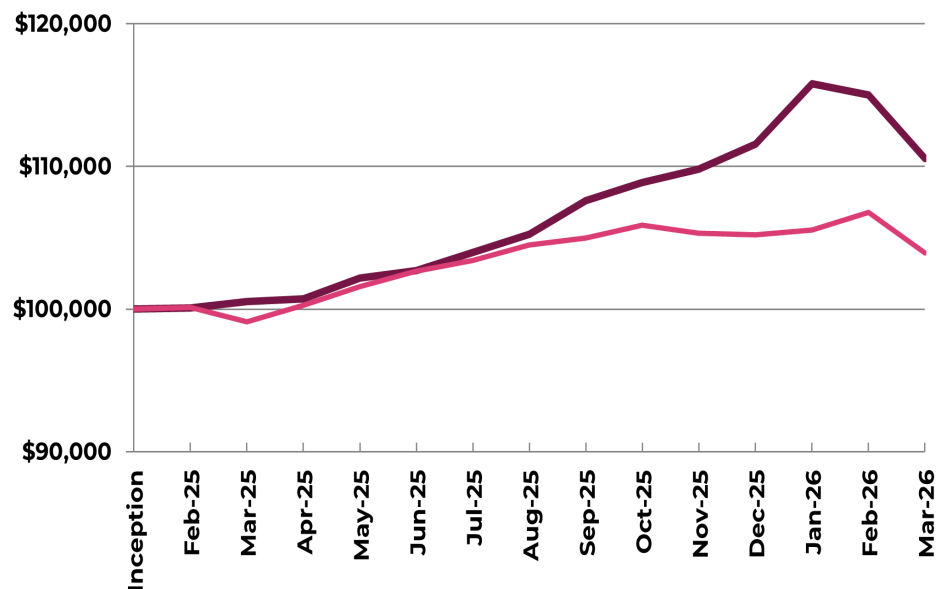
## Portfolio Performance

Rolling	Executive Series Conservative	Benchmark (Morningstar Australia Moderate Target Allocation)	Comparative Performance
1 month	-3.87%	-2.66%	-1.21%
3 month	-0.90%	-1.21%	0.31%
6 month	2.75%	-0.98%	3.73%
1 year	9.96%	4.89%	5.07%
*Inception p.a. (01 Feb 2025)	<b>8.98%</b>	<b>3.37%</b>	<b>5.61%</b>

## Comparative Performance

### Executive Series Conservative vs Morningstar Australia Moderate Target Allocation

Executive Series Conservative      Morningstar Australia Moderate Target Allocation



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# Balanced Portfolio

The **Executive Series Balanced Portfolio** aims to combine elements of capital growth and income. The portfolio maintains a balanced risk profile by allocating 60% of its holdings to growth assets (such as shares and property) and 40% to defensive assets (such as bonds and cash).

It suits investors with a balanced risk profile, who do not require a high level of income from investments and are comfortable taking a moderate level of risk to achieve longer term capital growth.

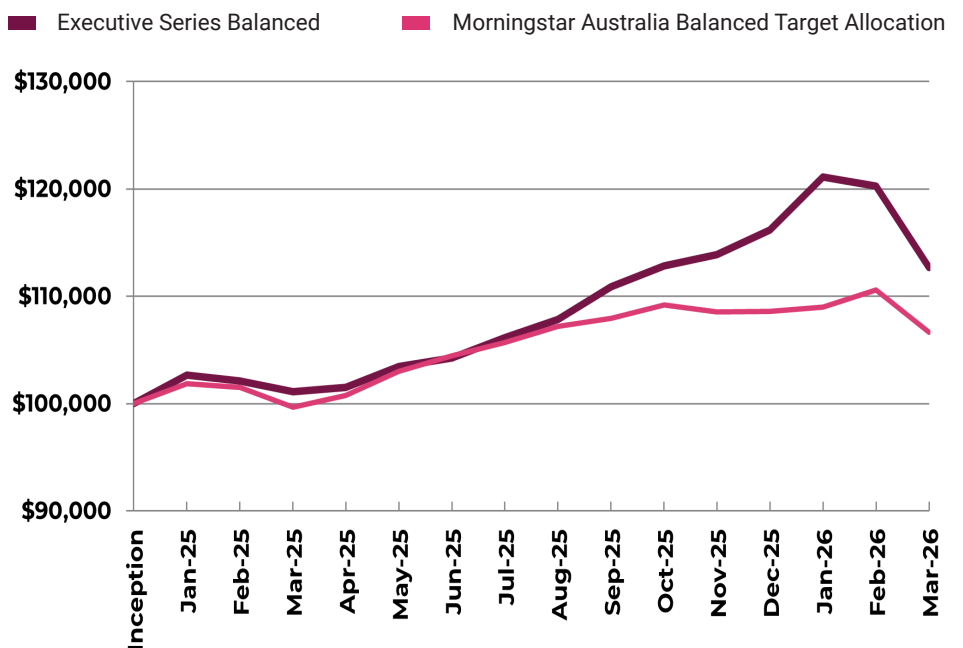
Asset Class	Actual
Cash	2%
Fixed Interest	49%
Australian Real Estate	2%
Australian Shares - Large Cap	14%
Australian Shares - Small Cap	2%
International Shares	15%
Alternative Assets	16%

## Portfolio Performance

Rolling	Executive Series Balanced	Benchmark (Morningstar Australia Balanced Target Allocation)	Comparative Performance
1 month	-6.32%	-3.58%	-2.74%
3 month	-3.03%	-1.82%	-1.21%
6 month	1.62%	-1.20%	2.82%
1 year	11.43%	6.96%	4.47%
*Inception p.a. (01 Jan 2025)	10.01%	5.26%	4.75%

## Comparative Performance

### Executive Series Balanced vs Morningstar Australia Balanced Target Allocation



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Growth Portfolio

The **Executive Series Growth Portfolio** is an investment model portfolio with a higher weighting towards growth assets such as property and listed equities, and a lower weighting towards defensive assets such as bonds and cash. The portfolio maintains a modest weighting to interest bearing investments.

It suits investors who are comfortable accepting a higher level of volatility with lower liquidity requirements for potential higher returns.

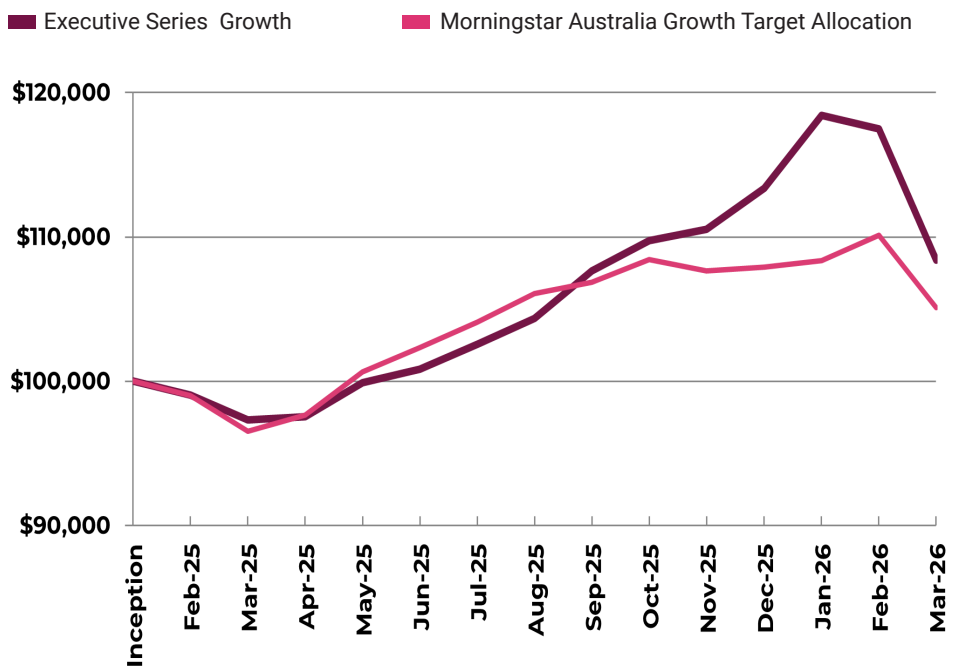
Asset Class	Actual
Cash	2%
Fixed Interest	34%
Aus Real Estate	2%
Int'l Real Estate and Infrastructure	0%
Aus Shares	15%
Emerging Equities	4%
Int'l Shares	25%
Alt Assets	18%

Portfolio Performance

Rolling	Executive Series Growth	Benchmark (Morningstar Australia Growth Target Allocation)	Comparative Performance
1 month	-7.75%	-4.57%	-3.18%
3 month	-4.41%	-2.62%	-1.79%
6 month	0.67%	-1.66%	2.33%
1 year	11.37%	8.89%	2.48%
*Inception p.a. (01 Feb 2025)	7.14%	4.36%	2.78%

Comparative Performance

Executive Series Growth vs Morningstar Australia Growth Target Allocation



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# High Growth Portfolio

The **Executive Series High Growth Portfolio** is an investment model portfolio predominately consisting of growth assets such as shares and property. The portfolio has a minimal allocation to defensive assets that produce income such as bonds and cash.

It suits investors with a low requirement for income from their investments, whose goal is to achieve capital growth over the long term, and are willing to accept a higher level of volatility to achieve these goals.

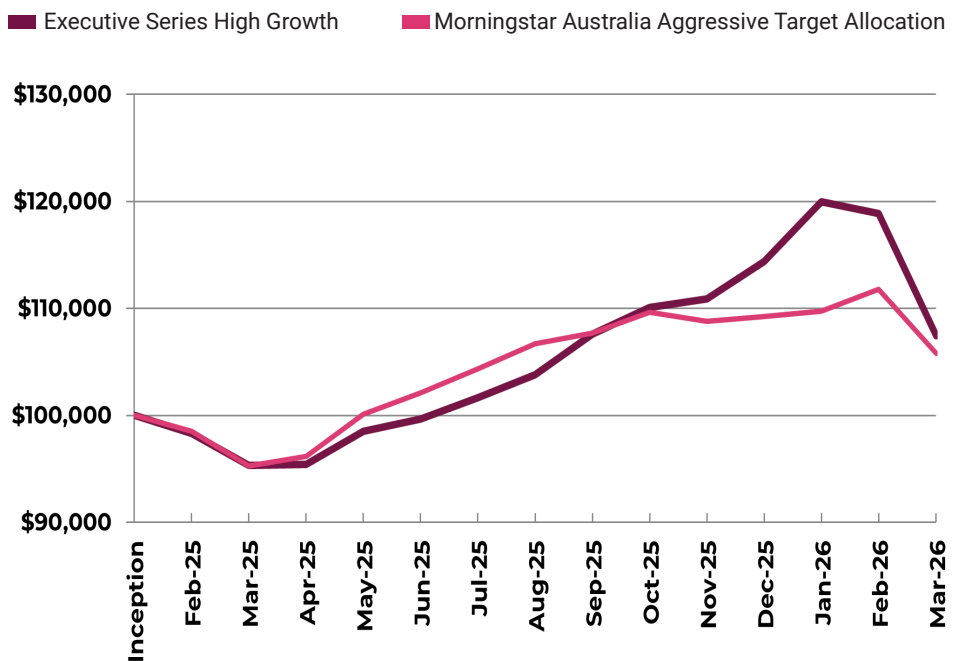
Asset Class	Actual
Cash	2%
Fixed Interest	11%
Aus Real Estate	3%
Int'l Real Estate and Infrastructure	0%
Aus Shares	19%
Emerging Equities	7%
Int'l Shares	39%
Alt Assets	20%

## Portfolio Performance

Rolling	Executive Series High Growth	Benchmark (Morningstar Australia Aggressive Target Allocation)	Comparative Performance
1 month	-9.61%	-5.35%	-4.26%
3 month	-6.06%	-3.15%	-2.91%
6 month	-0.13%	-1.78%	1.65%
1 year	12.74%	11.02%	1.72%
*Inception p.a. (01 Feb 2025)	6.35%	4.94%	1.41%

## Comparative Performance

### Executive Series High Growth vs Morningstar Australia Aggressive Target Allocation



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**Johan Snyman**  
Portfolio Manager

# Oracle Global Equities Portfolio

The Global Equities portfolio finished the first quarter of 2026 down 9.8%, compared to the benchmark (MSCI ACWI ex Australia in A\$) that was down 5.75%.

Calendar year to date (CYtD), the Global portfolio's benchmark (the MSCI ACWI ex Australia) is down 6%, marginally outperforming the S&P 500 (all in A\$). Focusing on the S&P 500 specifically, the Energy sector is by far the best performer, followed by Materials, Utilities and Consumer Staples. Industrials also closed the Quarter under review in positive territory.

For the March quarter, an attribution analysis reflects positive attributions from Information Technology (IT), Materials and Cash. In the case of IT, the relative underweight position of the Global portfolio versus the benchmark delivered a positive attribution of 56 basis points. Despite a significant overweight position in Materials, the positive attribution was just 25 basis points, as our holdings ended the quarter near their starting point despite high volatility.

In March 2026, Materials stood out as the largest detractor, ~60% of the negative 480bps attribution. The next largest detractor was Energy at ~20% of the negative 480bps attribution, and simply a factor of nil exposure to the Energy sector.

At the stock selection level, the top five contributors were Royal Gold, ASML, TSMC, Motorola Solutions and Investor AB. Just as important as the stocks we own that deliver positive attribution are the ones that we do not own. During the quarter not owning Tesla, Meta Platforms, Broadcom, Eli Lilly and Tencent delivered more than 10 basis points of positive attribution. Our underweight position in Apple also delivered a positive attribution, with the stock down 9% (in A\$) in 1Q26, underperforming the broader indices.

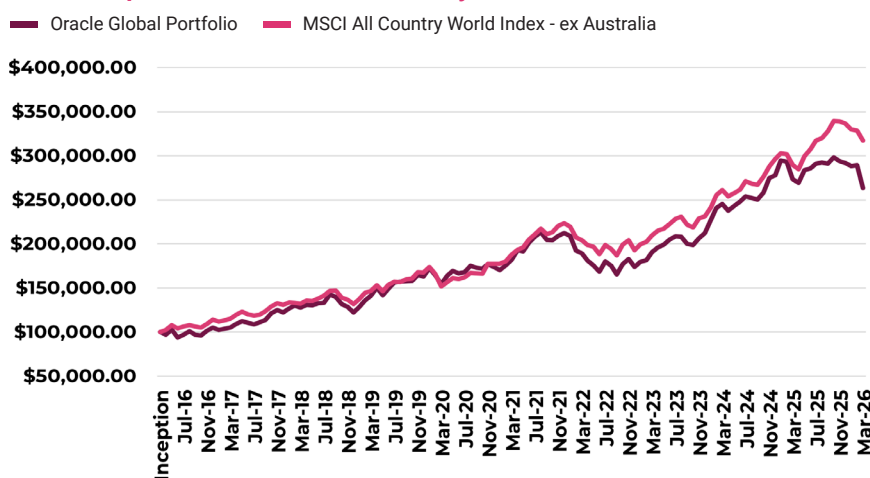
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## Portfolio Performance

Rolling	Global Equities Portfolio	Benchmark (MSCI All Country World Index - ex Australia)	Outperformance
3 month	-9.80%	-5.75%	-4.05%
6 month	-9.50%	-3.11%	-6.39%
1 year	-3.68%	9.64%	-13.32%
2 year p.a.	3.62%	10.21%	-6.59%
3 year p.a.	11.40%	14.80%	-3.40%
5 year p.a.	7.65%	11.04%	-3.39%
Since Inception p.a (1 March 2016)	<b>10.08%</b>	<b>12.14%</b>	<b>-2.06%</b>

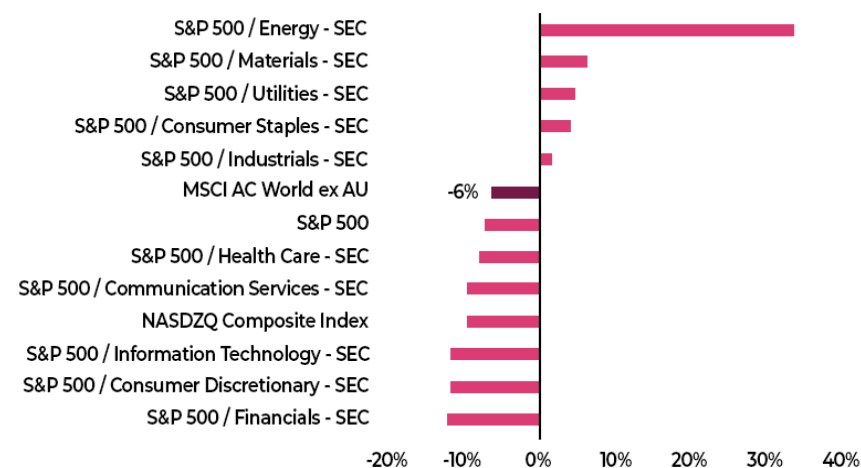
## Comparative Performance

Global Equities vs MSCI All Country World (since inception)



## CYtD - S&P 500

(A\$) sub-indeces plus broader indeces

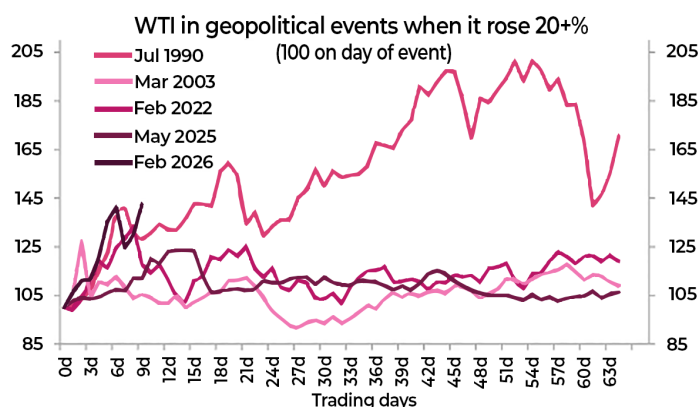


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## Oracle Global Equities Portfolio

Large detractors from performance in the quarter were Richemont, Prosus, Visa and Mastercard. Other large detractors such as Salesforce, Nintendo and Veeva Systems have been sold.

Geopolitically speaking, the quarter under review was all about oil and war. The magnitude and speed of the oil price increase this time is comparable to the large shocks of the past. That was February 2026 – it is now almost two months later, and the announcement of first, a (two-week) ceasefire, and then more recent news of a breakdown in direct talks between the US and Iran means markets are likely to continue to whipsaw well into the June quarter and most likely the rest of 2026.



**ASML** was the top performer in the Global portfolio, followed by **Costco** and **Royal Gold**.

When it comes to our qualitative scorecard, **ASML** ranks in the top five – recent FY25 results surprised Mr Market as the company heads into 2026 with a backlog of €38.8bn and record quarterly net bookings of €13.2bn, which far exceeded analysts’ estimates. That translates, in part, to estimated net sales in 2026 being up 12% at the midpoint. Earnings momentum remains positive, with consensus earnings estimates for FY26E on the rise.

With hindsight, looking at **Costco**, we should have “watered the flowers and trimmed the weeds”, having trimmed the position by 2%. Costco’s stock swiftly reversed its negative trend and is now pushing all time highs again. Although Costco was one of our best performers, it would have been a larger contributor had the position remained at its previous level.

We are pleased with **Royal Gold’s** recent results, supportive of our investment thesis. The 25-year streak of dividend increases, combined with record revenue, earnings, and cash flow, is a notable signal for investors tracking consistency.

**Four new positions** were established in the quarter, with **two additions, seven sells** and **two trims**.

### BOUGHT

- ◆ Hecla Mining
- ◆ DPM
- ◆ Anglo American
- ◆ Freeport McMoRan

### ADD

- ◆ Corpay
- ◆ Motorola Solutions

### SOLD

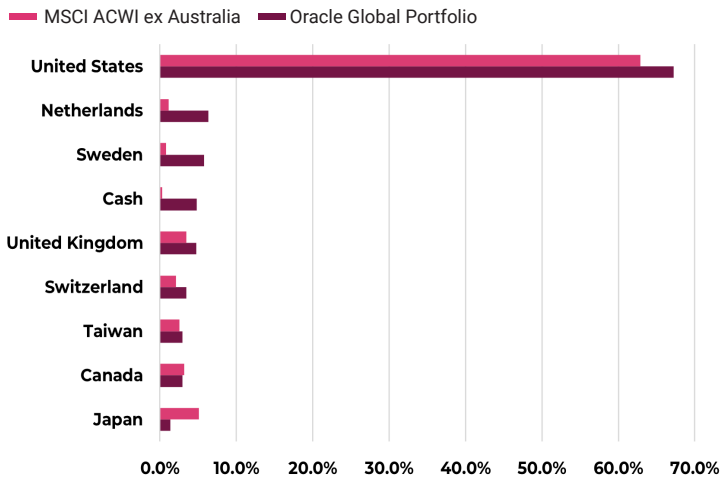
- ◆ Block
- ◆ JPMorgan
- ◆ Salesforce
- ◆ Qualcomm
- ◆ Microsoft
- ◆ Veeva Systems
- ◆ Nintendo

### TRIM

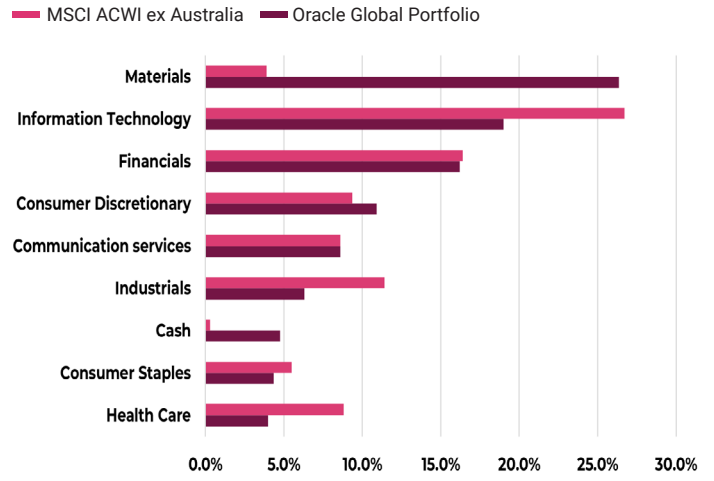
- ◆ Lifco
- ◆ Medtronic

# Oracle Global Equities Portfolio

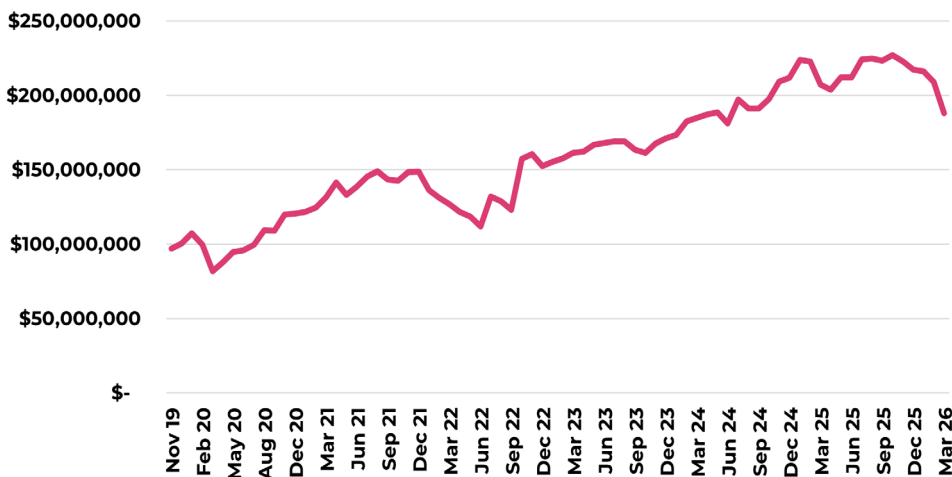
## Geographic Exposure



## Market Segments



## Funds Under Management (since inception)



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## Oracle Global Equities Portfolio

Top 10 Performers	Portfolio Position	3 month Performance
ASML	4.44%	15.7%
Costco	1.66%	11.9%
Royal Gold	9.50%	10.9%
TSMC	2.96%	7.8%
Motorola Solutions	3.03%	6.7%
Block	Sold	5.4%
Investor AB	4.79%	0.8%
DPM Metals	2.98%	-0.2%
Vertex Pharmaceuticals	2.38%	-4.7%
Fresnillo	4.79%	-5.9%

Portfolio Characteristics	Portfolio	Index
Historical - EPS growth - 3 years	19.7%	16.2%
Forward - EPS Growth	15.9%	18.5%
Price/Earnings Forward - 1 year	19.9	17.0
PEG Ratio (Median)	1.3	0.9
Dividend Yield	0.9%	1.9%
Return on Equity (Median)	19.7%	14.9%
Return on Invested Capital (Median)	14.2%	7.4%
Operating Margin (Median)	29.2%	14.2%
Gearing (Debt/Equity)	36.2	135.2
Beta	1.10	1.06
Number of Holdings	26	2,480

Portfolio Overview	
Investment Manager	Oracle Investment Management Pty Ltd
Investment Objective	To provide investors with long-term capital growth and tax effective income. The portfolio aims to outperform its benchmark over a rolling 7-year period.
Investment Strategy	To use active bottom up stock selection, focusing on buying quality securities at reasonable prices. The securities are assessed as meeting our investment criteria of strong earnings growth and as likely to provide attractive returns to investors.
Benchmark	MSCI ACWI ex Australia in A\$ (unhedged)
Investment Universe	Primarily large cap international securities listed on major international exchanges. Portfolio may invest in listed ETFs.
Recommended Investment Period	3 - 5 years
Minimum Initial Investment	\$50,000
Inception Date	1 March 2016

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# Oracle Australian Equities Portfolio



**Luke Durbin**  
Portfolio Manager

In the March quarter 2026, the Australian Equities Portfolio fell **-3.71%** underperforming the benchmark, which returned **-0.87%**. While it is disappointing to have underperformed in the quarter, the numbers above (both the portfolio's and the benchmark's) completely mask one of the most volatile quarters we've seen.

March was one of the worst months on record for markets. Since the inception of the ASX 100 index in May 1992, the March 2026 period ranks as 12<sup>th</sup> worst out of 408 periods, falling **7.49%**. (The record monthly fall of **-21.2%** belongs to March 2020, when the world panicked as the coronavirus spread and uncertainty was at all-time highs). January and February, however, were both up: **1.58%** and **4.34%** respectively. Indeed, as I write this in mid-April, the index has rebounded **6.1%**. This is stomach-wrenching volatility in the truest sense and reflects the uncertainty in markets at the moment, not least thanks to the conflict in the Middle East.

For the quarter, it is no surprise that energy stocks were the best performers, up 34.9% as a cohort. Utilities and Consumer Staples also held up well, up 8.5% and 8.1% respectively. I say energy's strength is no surprise because the oil price rose over 70% in the quarter, and this flows through to the profits of those pumping oil in other parts of the world. Staples is dominated by the supermarkets, and even in economic and geopolitical turbulence, consumers need their bread and milk. Investors know this and buy the companies as a flight to safety, as the earnings are very resilient to economic shocks.

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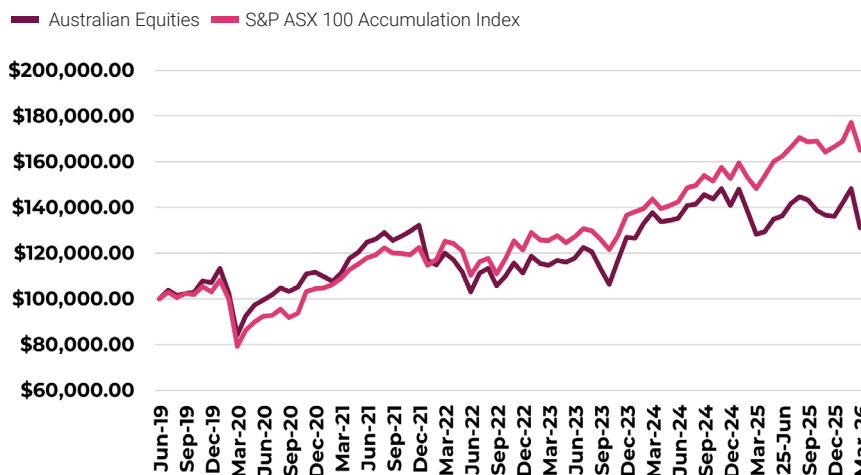
## Portfolio Performance

Rolling	Australian Equities Portfolio	Benchmark (S&P ASX 100 Accumulation Index)	Outperformance
3 month	-3.71%	-0.87%	-2.84%
6 month	-8.48%	-2.10%	-6.38%
1 year	2.13%	11.34%	-9.21%
2 year p.a.	-2.46%	7.15%	-9.61%
3 year p.a.	4.56%	9.53%	-4.97%
5 year p.a.	3.32%	8.66%	-5.34%
Since Inception p.a (1 July 2019)	<b>4.09%</b>	<b>7.70%</b>	<b>-3.61%</b>

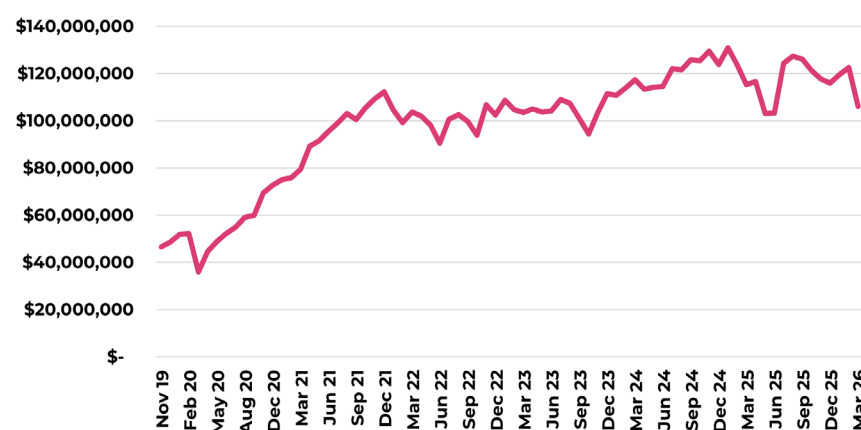
Benchmark data is S&P/ASX200 Accumulation Index prior to 1/7/2022.

## Comparative Performance

Australian Equities vs S&P ASX 100 Accumu Index (since inception)



## Funds Under Management (since inception)



Please see the Important Information disclaimer on the back page.

## Oracle Australian Equities Portfolio

Utilities held up for a completely different reason again. Although utilities are typically seen as bond proxies, whereby higher interest rates cause the price to fall to maintain a consistent dividend yield, there are certain nuances that led to them not trading as such. Contrary to many software stocks that have been sold off, utilities are increasingly being viewed as AI beneficiaries, because the increased demand for AI means higher demand for electricity to power the data centres that house the AI products. Perhaps more importantly, many utilities are regulated and have built-in inflation protection with regard to the prices they are allowed to charge, so rather than crimping costs, high costs can be passed through to consumers, keeping margins intact.

There were 4 industry sectors that experienced a drop of more than 15%. This is unheard of.

- ◆ Consumer Discretionary fell 15.4%
- ◆ Real Estate fell 17.1%
- ◆ Health Care fell 17.7%, and
- ◆ Information Technology Fell 28.1%.

A lot of this fall can be attributed to rates continuing to rise more than the market had priced. The Middle East conflict also reduced risk appetite, which has compressed valuations. While we had retained some small exposure to these sectors through the quarter, as we had been reducing through the end of 2025, the impact was smaller than it could have been.

The main impact on the portfolio was the outsized position in gold miners, which fell along with the gold price after a significant rise into January. Genesis and Northern Star, both gold miner positions that we hold, fell circa 20%. We bought Northern Star in October and Genesis was added in March. In contrast, Newmont, our largest holding by some margin, ended flat for the quarter.

Charter Hall was our largest detractor. It is an overweight position and fell 23.8% with the increase in interest rates. While we have been reducing our exposure to real estate over the past 6 months in line with our view on interest rates, safe to say we could have done more. The negative impact on relative performance was 90 basis points.

In terms of what we didn't own, not owning either Woodside or Santos was negative to the portfolio. These are relatively small positions in the benchmark, but since they returned 52.7% and 31.8% respectively, the benefit to the benchmark was not immaterial. The end result was 85 basis points and 32 basis points of negative attribution respectively.

Top 10 Performers	Portfolio Position	3 month Performance
<b>BHP Group Ltd</b>	<b>9.89%</b>	<b>12.9%</b>
<b>Rio Tinto Ltd</b>	<b>2.73%</b>	<b>12.4%</b>
<b>Aurizon Holdings Ltd</b>	<b>1.71%</b>	<b>11.8%</b>
<b>APA Group</b>	<b>1.10%</b>	<b>10.9%</b>
<b>South32 Ltd</b>	<b>1.73%</b>	<b>10.8%</b>
<b>Origin Energy Ltd</b>	<b>1.09%</b>	<b>10.5%</b>
<b>Washington H Soul Pattinson</b>	<b>0.58%</b>	<b>8.8%</b>
<b>Ampol Ltd</b>	<b>1.06%</b>	<b>7.5%</b>
<b>PLS Group Ltd</b>	<b>1.72%</b>	<b>7.3%</b>
<b>Commonwealth Bank of Australia</b>	<b>4.58%</b>	<b>5.8%</b>

It wasn't all bad news, though. Many of the stocks that we sold last quarter or early in this quarter continued to fall, including CSL, Goodman Group, Aristocrat Leisure, Xero, CAR Group and James Hardie. New holding Aurizon contributed immediately, rising 11.8% since buying it in January.

Astute readers may notice a significant shift in the companies discussed so far in this update compared to previous updates. The portfolio has shifted dramatically in line with our internal outlook for equities, both in Australia and globally. We have discussed in previous newsletters our concern over the state of government finances, particularly the United States, but other developed nations, such as Australia are not immune either. We see this as, at best, medium term inflationary, and believe investors are increasingly preferring hard assets that can withstand these inflationary pressures.

For this reason, we have significantly increased our holdings in materials and industrial companies at the expense of other sectors such as Healthcare, Information Technology, and Consumer Discretionary. Importantly, many of the companies we have sold we still view as being high-quality growth businesses. However, we think the market won't entertain valuations that have previously been attributed to them, as the growth outlook may be more uncertain, and the discount rates used to value them will result in lower valuations.

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## Oracle Australian Equities Portfolio

Below is a table summarising the shift that has occurred over the last 2 quarters.

Sector	01-Oct-25	31-Mar-26	Benchmark	Difference to Benchmark (Mar)	Difference to Benchmark (Oct)
Gold	11.40%	23.40%	4.20%	19.20%	7.20%
Cash	3.90%	9.30%	0.00%	9.30%	3.90%
Materials	7.10%	26.00%	18.50%	7.50%	-11.40%
Industrials	0.00%	10.60%	5.90%	4.70%	-5.90%
Utilities	0.00%	2.20%	1.50%	0.70%	-1.50%
Information Technology	11.00%	1.20%	1.60%	-0.40%	9.40%
Real Estate	8.50%	3.60%	4.70%	-1.10%	3.80%
Consumer Staples	6.60%	1.20%	3.20%	-2.00%	3.40%
Energy	0.00%	1.10%	3.90%	-2.80%	-3.90%
Communication Services	5.70%	0.00%	3.00%	-3.00%	2.70%
Health Care	11.80%	1.60%	5.50%	-3.90%	6.40%
Consumer Discretionary	6.00%	0.00%	5.30%	-5.30%	0.70%
Financials	28.00%	20.00%	34.60%	-14.60%	-6.60%

The table shows our overweight positioning to gold compared to the benchmark has increased from 7% to 19%, and Materials moved from an underweight position of -11.4% to an overweight position of 7.5%. In contrast, our overweight position in Information Technology has moved from 9.4% to an underweight position of -0.4%, and Healthcare from an overweight position of 6.4% to an underweight position of -3.9%.

These changes are in line with our high conviction approach to investing and reflect our macroeconomic outlook. We trust this explanation assists you in understanding the changes that have been made to your portfolio.

### BOUGHT

Through the quarter, we added to our existing positions in BHP, Fortescue Metals, IGO Group, Mineral Resources, Perseus Mining, Rio Tinto, Ramelius Resources, and Sandfire. We also bought new positions in **Orica, PLS Group, Qube, Aurizon, Dyno Nobel, South32, and Genesis Minerals.**

### SOLD

We also sold the following positions: CSL, Steadfast, Cochlear, Wisetech Global, Seek, Life360, Block, Pro Medicus, and Scentre Group. We also reduced our holdings in HUB24, Pinnacle, ResMed, Washington H Soul Pattison, and Newmont. Most of these are in line with the discussion above; however, we took some profits on Newmont due to the meteoric rise it has experienced since our purchases over 12 months ago. The position had ballooned to over 14%, and we decided that even though we believe the outlook for gold remains positive, it was prudent to reduce this significant overweight position.

## Oracle Australian Equities Portfolio

Portfolio Characteristics	Portfolio	Index
Historical - EPS growth - 3 years	0.7%	-0.5%
Forward - EPS Growth	16.1%	12.0%
Price/Earnings Forward - 1 year	15.3	14.67
PEG Ratio	1.3	1.9
Dividend Yield	3.0%	3.7%
Return on Equity	11.4%	9.1%
Return on Invested Capital	9.6%	7.1%
Operating Margin	29.4%	22.5%
Gearing (Debt/EBITDA)	1.45	2.04
Beta	1	1
Number of Holdings	39	204

Portfolio Overview	
<b>Investment Manager</b>	Oracle Investment Management Pty Ltd
<b>Investment Objective</b>	To provide investors with tax effective income, dividends and capital growth. The Portfolio aims to outperform its benchmark over a rolling 3 to 5 year period.
<b>Investment Strategy</b>	To use active stock selection to invest in quality businesses. The businesses are assessed as meeting our investment criteria of a high return on equity, growth potential and their ability to consistently deliver dividends to investors.
<b>Benchmark</b>	S&P/ASX 100 Accumulation Index
<b>Investment Universe</b>	Companies listed on the ASX that have a market capitalisation similar to those in the S&P/ASX 100 Accumulation Index.
<b>Recommended Investment Period</b>	3 - 5 years
<b>Minimum Initial Investment</b>	\$25,000
<b>Inception Date</b>	1 July 2019

# Oracle Emerging Companies Portfolio



**Jack Magann**  
Portfolio Manager

The Emerging Companies portfolio returned **-16.02%** over the first quarter of 2026. This compares to the Small Ords, which returned **-10.87%** for the quarter. The volatility from the Iran war has seen markets sell off in March, which has hit small companies harder than their larger counterparts.

The March quarter was an active one for the portfolio. The investment committee made several deliberate changes to better position the fund for the macro environment we expect to unfold through the remainder of 2026. Our central thesis remains that commodity prices, particularly gold, copper and uranium, will remain elevated or move higher, supported by persistent inflation, growing sovereign debt burdens, geopolitical uncertainty, and structural demand from the global energy transition and data centre build-out.

The outbreak of the Iran war at the end of February has produced a counterintuitive result for gold. While the precious metal initially rose, it has since given back those gains and more. Gold hit an all-time high near US\$5,600 per ounce before losing 15% as the conflict escalated. The Iran war is feeding inflation fears primarily through surging oil prices, which have pushed bond yields higher and caused traders to scale back expectations for rate cuts, a headwind for a non-yielding asset like gold. Gold is also one of the most liquid assets in the world, and during sharp sell-offs, investors often sell their most profitable holdings to raise cash or cover losses elsewhere, a classic liquidity flush that can drag gold down even when the long-term case for owning it remains intact.

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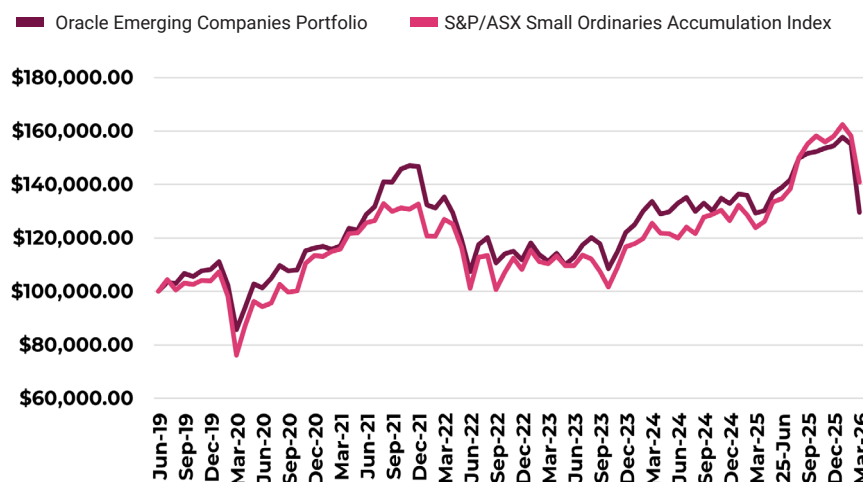
Please see the Important Information disclaimer on the back page.

## Portfolio Performance

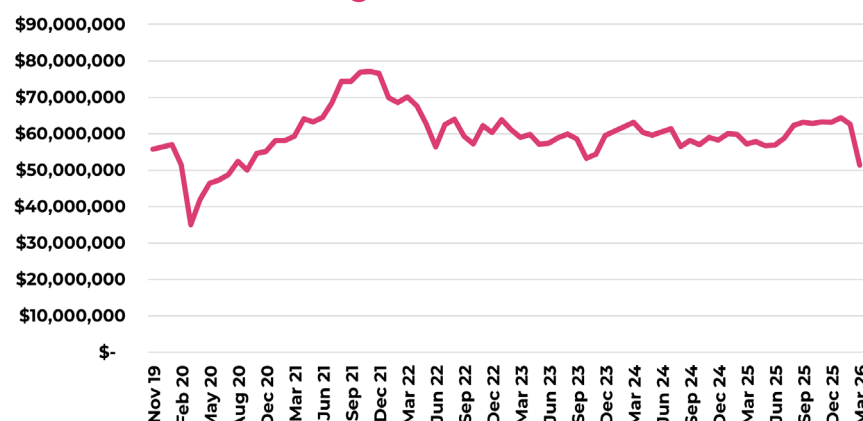
Rolling	Emerging Companies Portfolio	Benchmark S&P ASX Small Ordinaries Accumulation Index	Outperformance
3 month	-16.02%	-10.87%	-5.15%
6 month	-14.49%	-9.26%	-5.23%
1 year	0.31%	13.65%	-13.34%
2 year p.a.	-1.53%	5.93%	-7.46%
3 year p.a.	5.23%	8.50%	-3.27%
5 year p.a.	2.08%	3.99%	-1.91%
Since Inception p.a (1 July 2019)	<b>3.92%</b>	<b>5.21%</b>	<b>-1.29%</b>

## Comparative Performance

Emerging Companies vs S&P ASX Small Ordinaries (since inception)



## Funds Under Management (since inception)



## Oracle Emerging Companies Portfolio

The structural drivers that have underpinned gold's near 300% rise over the past decade – persistent inflation, sovereign debt burdens, and central bank diversification away from the US dollar – remain firmly in place, and we expect the gold price to recover as the conflict and its inflationary consequences become more fully priced.

We continued to add to our gold exposure during the quarter, with new positions initiated in **Emerald Resources, Bellevue Gold, Alkane Resources, Ora Banda** and **Horizon Minerals**. Being conscious of our exposure to gold, we also reduced our weightings in other names. Vault Minerals remains our largest position despite reducing the holding by 6% during the quarter. Vault had become such a large position due to the strength of the share price since we bought the company in early 2025. Notably, both Genesis and Greatland Gold have graduated into the ASX 100 and were transferred to our Australian Equities Portfolio. With the movements in our gold names during the quarter, we reduced our weighting to the precious metal by 14%, and our exposure sits at 26% at the time of writing.

Beyond gold, we broadened our materials exposure into uranium and silver. We initiated positions in **Paladin Energy** and **NexGen Energy** to capture the structural demand for uranium driven by the exponential growth in power consumption from data centres and the broader adoption of nuclear energy as a clean baseload source. We also took a small position in **Silver Mines**, giving the portfolio its first direct silver exposure as the metal continues to benefit from both monetary demand and industrial applications.

We also added **Liontown Resources**, reflecting our view that lithium has now found a price floor. At current prices, the Kathleen Valley operation should generate healthy margins, and we believe the market is yet to fully price this in. This is a carefully sized position, acknowledging that the commodity price recovery from recent lows is still in its early stages.

On the industrials side, we added **SKS Technologies** and **Vysarn**. SKS Technologies is well positioned as a picks-and-shovels exposure to the rapid growth in data centre infrastructure, with revenue growth being driven by hyperscaler capex and expanding margins as data centre work becomes a larger share of the mix. Vysarn is a vertically integrated water services business operating across mine dewatering, wastewater treatment and water engineering. Our investment case is built on the increasing water extraction requirements associated with deeper mining operations in the Pilbara, along with rising environmental and remediation obligations.

Our most significant underweights are Real Estate (-10.72%), Consumer Discretionary (-9.54%), Financials (-6.34%), and Health Care (-4.45%). This is deliberate positioning. We believe these sectors face headwinds from the prospect of further rate increases in Australia. With the RBA expected to tighten further through 2026 and inflation remaining persistent, domestically exposed businesses with rate-sensitive customers or balance sheets are not where we want capital positioned at this stage of the cycle.

This has been our most active quarter in the portfolio since my time in the role as Portfolio Manager. We have made these changes as we believe in positioning the portfolio in a way we believe is best to deal with the current macroeconomic situation. We also note that we carry a meaningful amount of cash at 15%. We are looking to deploy this cash at the start of the June quarter, taking advantage of companies that have been oversold since the start of the war.

### BOUGHT

#### Silver Mines – Buy 2.7%

A small exposure to silver in the portfolio. Silver Mines is a developer aiming to become a producer in the near future.

#### Greatland Gold – Buy 1.5%

Owner of the Telfer gold mine, a top-tier asset that has been in operation for several decades. The company has good growth optionality to expand its production.

#### Liontown Resources – Buy 2.0%

Operating the Kathleen Valley mine. We believe that the lithium price has now found a floor, as previous pricing of the commodity meant that lithium miners weren't profitable. At the current prices, Liontown should now make a 50% margin.

#### Paladin Energy – Buy 2.0%

Exposure to uranium, which Oracle believes will be in high demand due to exponential growth in power needs from data centres. Currently has a producing mine in Africa and a project in Canada.

#### Kingstate Consolidated – Buy 1.4%

A small-cap gold miner with operations in Thailand. The company offers exposure to gold at an early stage of its production ramp-up. Low-cost miner relative to peers.

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## Oracle Emerging Companies Portfolio

### BOUGHT *(continued)*

#### Emerald Resources – Buy 2.0%

Has a producing gold mine in Cambodia, which is low-cost. The company can increase production, and with the current gold price and their low cost, they should achieve a large amount of operational leverage.

#### Alkane Resources – Buy 1.0%

Merged with Mandalay Resources to create a mid-tier gold producer. The company is currently a high-cost producer, but this is expected to decline over the next few years after the merger, which should result in good operational leverage.

#### Ora Banda – Buy 1.5%

A Western Australian gold producer with a clear production growth path. We see the company as an attractively priced addition to our gold exposure.

#### Bellevue Gold – Buy 2.0%

One of the only remaining gold miners with a hedge book in place. The company has been paying forward into the hedge book, and we expect them to fully pay it out in 2026. This will see a re-rating of the share price, as we saw with Vault when they completed their hedge book.

#### NexGen Energy – Buy 1.5%

NexGen Energy holds the Arrow deposit in the tier 1 jurisdiction of Saskatchewan, Canada. The province is a mining-friendly one with other major uranium producers already operating in the area. As we mentioned, we are positive on uranium due to the energy requirements of data centres. There is also the chance that one of the major miners operating in this province acquires NexGen.

#### Horizon Minerals – Buy 1.2%

We participated in the recent capital raise for Horizon Minerals. Currently, we have received a third of our allocation, a 0.40% position in the portfolio. The remaining two thirds will be received post the EGM in April, where the company is required to gain shareholder approval to raise the remaining funds. We don't expect any surprises at the EGM. The funds will be used to convert the Black Swan nickel processing facility into a gold processing facility. The company can then ramp up their gold production at the Boorara gold deposit.

#### Vysarn – Buy 1.5%

Vysarn is a vertically integrated water services business operating across mine dewatering, wastewater treatment and recycling, and water advisory and engineering services. Our investment case stems from increasing water extraction requirements associated with deeper mining operations in the Pilbara, along with rising environmental, remediation and water management obligations. We see potential upside in their emerging asset management business and expect licensing approvals in the near term.

#### SKS Technologies – Buy 1.5%

SKS Technologies is positioned as a “picks and shovels” exposure to the rapid expansion of data centre infrastructure. Strong revenue growth is being driven by hyperscaler capex spend on data centre demand. The margin is also expanding as the company wins more work in the data centre space.

### SOLD

#### Baby Bunting – Full Sell

Their key customer tends to be the one who suffers the most when interest rates increase. With RBA rates expected to rise at least another 1 or 2 times in 2026, we have decided to exit the holding.

#### Dicker Data – Full Sell

Another one that is highly affected by Australian interest rates. The debt on the balance sheet has ballooned in recent times, whereas historically it was quite conservative. For this reason, we are happy to exit.

#### Jumbo Interactive – Full Sell

Increasing pressure from The Lottery Corp has required increased marketing spend by Jumbo, in turn decreasing their margin. The company is no longer taking market share, which was a key part of our thesis. With the thesis broken, we sold out of Jumbo.

#### Aussie Broadband – Trim 1.75%

We trimmed our position in Aussie Broadband as we took the view that the materials sector will be the best performing in 2026. This is just a rotation of capital into a different sector that we believe has the best prospects.

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# Oracle Emerging Companies Portfolio

## SOLD (continued)

### AI Media – Full Sell

Software companies have been sold off heavily in 2026 due to the threat of AI. With uncertainty around what type of valuation these technology companies will demand in the future, we sold out of AI Media.

### AUB Group – Trim -1.75%

A similar story to Aussie Broadband. This is a rotation of capital into the material sector, which we believe will offer the most reward in 2026.

### Collins Foods – Full Sell

Still fighting inflation, and as we know, this has been persistent in Australia. Margins have been heavily affected due to this, and we don't see that pressure relenting.

### Equity Trustees – Full Sell

We have been reducing our holding in EQT for several months. We expected EQT to settle the dispute between ASIC over their involvement in the First Guardian Master fund collapse. However, EQT continues to deny that they are liable for any losses that investors in the fund have incurred. As this now looks to be a drawn-out legal battle that we are happy to watch from the sidelines.

### Lovisa – Trim 1.5%

With rates increasing in Australia, we believe there is a risk that the Australian business will underperform. We still like the global rollout story, so we haven't fully sold out of the company.

### Centrepoint Alliance – Full Sell

A company we did well from our initial investment. Part of our thesis involved Centrepoint becoming active in the M&A of direct financial advice businesses. This hasn't played out since their first acquisition two years ago, so we exited the business.

### MA Financial – Trim 0.5%

MAF had become a large weighting in the portfolio. We decided it was prudent risk management to trim part of this position.

### Genesis Minerals - Transferred to Australian Equities Portfolio

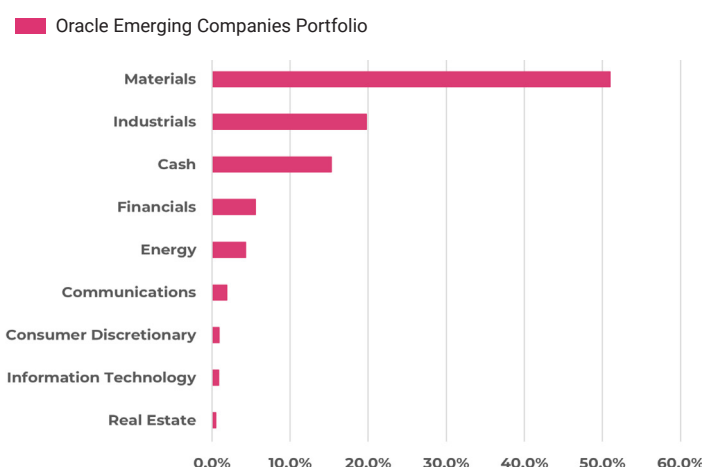
After moving into the ASX 100, we transferred Genesis into the Australian Equities Portfolio.

### Greatland Gold - Transferred to Australian Equities Portfolio

After moving into the ASX 100, we transferred Genesis into the Australian Equities Portfolio., noting we only bought this position in January.

Top 10 Performers	Portfolio Position	3 month Performance
Alcoa Corporation	3.59%	16.6%
Imdex Limited	3.36%	12.1%
Redox Limited	3.55%	10.7%
Neuren Pharmaceuticals	SOLD	10.0%
Collins Foods	SOLD	5.4%
NRW Holdings	3.05%	4.0%
Paladin Energy	2.59%	3.6%
Greatland Resources	Transferred to Australian Equities Portfolio	3.0%
Genesis Minerals	Transferred to Australian Equities Portfolio	2.5%
Dalrymple Bay Infrastructure	2.69%	2.2%

## Sector Breakdown



Please see the Important Information disclaimer on the back page.

## Oracle Emerging Companies Portfolio

Portfolio Characteristics	Portfolio	Index
Historical - EPS growth - 3 years	7.7%	5.3%
Forward - EPS Growth	18.9%	18.6%
Price/Earnings Forward - 1 year	13.2x	14.0x
PEG Ratio (Median)	1.43	1.32
Dividend Yield	2.5%	4.3%
Return on Equity (Median)	11.9%	7.2%
Return on Invested Capital (Median)	11.0%	7.6%
Operating Margin (Median)	9.9%	8.5%
Gearing (Debt/EBITDA)	0.4	1.1
Beta	1.09	1
Number of Holdings	39	200

Portfolio Overview	
<b>Investment Manager</b>	Oracle Investment Management Pty Ltd
<b>Investment Objective</b>	To provide investors with long-term capital growth and tax effective income. The Portfolio aims to outperform its benchmark over a rolling 3 to 5 year period.
<b>Investment Strategy</b>	To use active stock selection to invest in quality businesses. The businesses are assessed as meeting our investment criteria of high return on equity and earnings growth and as likely to provide attractive returns to investors.
<b>Benchmark</b>	S&P/ASX Small Ordinaries Accumulation Index
<b>Investment Universe</b>	All companies listed on the ASX plus managed funds. The Portfolio will include a range of mid-sized capitalization companies.
<b>Recommended Investment Period</b>	3 - 5 years
<b>Minimum Initial Investment</b>	\$10,000
<b>Inception Date</b>	1 July 2019



**Ashley Cox**  
Portfolio Manager

# Oracle Fixed Interest Fund

The Oracle Fixed Interest Fund (OFIF) delivered a return of **-0.40%** for the month of March, outperforming the Benchmark return of **-1.15%**. For the March quarter, the Fund returned **0.27%**, compared with **-0.20%** for the Benchmark. Over longer time horizons the Fund continues to demonstrate strong relative performance, returning **5.42%** over one year and **7.26%** per annum over two years, materially ahead of the Benchmark.

Financial markets experienced a volatile quarter as investors adjusted to shifting monetary policy expectations, heavy credit issuance early in the period, and a sharp rise in geopolitical tensions later in the quarter. These forces drove significant movements in global bond yields and periods of credit spread volatility. Despite these challenging conditions, the Fund delivered positive relative performance, supported by its low duration positioning and focus on high-quality floating rate credit.

### January and February Conditions – Supply Driven Credit Volatility

The first two months of the quarter were characterised primarily by evolving interest rate expectations and unusually large volumes of bank capital issuance.

In January, the Fund returned 0.51%, outperforming the Benchmark return of 0.32%, with performance driven largely by income generation and modest capital gains. Interest rate markets experienced a “round trip” during the month, initially rallying on softer inflation data before reversing as strong labour market data prompted markets to reprice expectations for further monetary tightening.

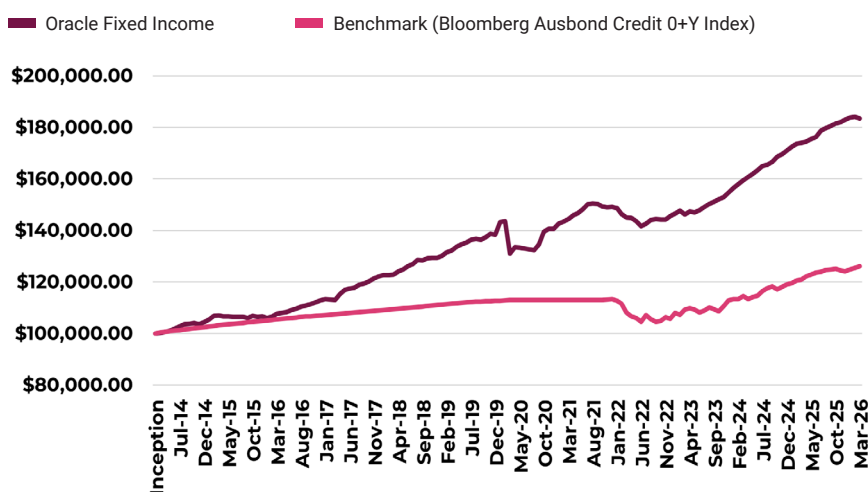
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## Portfolio Performance

Rolling	Fixed Interest Fund	Benchmark (Bloomberg Ausbond Credit 0+Y Index)	Outperformance
3 month	0.27%	-0.20%	0.47%
6 month	1.63%	-0.66%	2.29%
1 year	5.42%	2.57%	2.85%
2 year p.a.	7.26%	4.06%	3.20%
3 year p.a.	7.85%	4.27%	3.58%
*Since Inception (1 Dec 2021)	<b>4.91%</b>	<b>2.13%</b>	<b>2.78%</b>

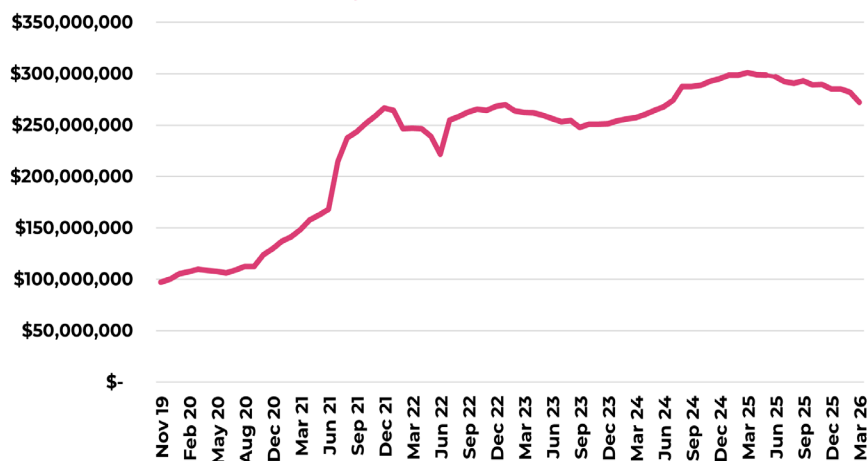
## Comparative Performance

Fixed Income vs Bloomberg Ausbond Credit 0+Y Index (since inception)



\*Performance of Fixed Interest strategy since inception.

## Funds Under Management



Please see the Important Information disclaimer on the back page.

## Oracle Fixed Interest Fund

Despite volatility in government bond yields, credit markets remained broadly constructive through January, supported by limited new issuance and strong demand for high-quality floating-rate securities.

Market dynamics shifted in February, when the Australian credit market experienced a record A\$7.7 billion issuance of Tier 2 and Additional Tier 1 (AT1) bank capital, nearly double the previous monthly record. This surge in supply created temporary pressure on spreads and led to what many participants described as “secondary indigestion” in the credit market.

During the same period, the Reserve Bank of Australia increased the official cash rate by 0.25% reflecting persistent inflation pressures and reinforcing expectations that policy may remain restrictive for longer.

While this heavy supply caused spreads to widen modestly, it also increased the running yield available across many credit securities, improving forward income opportunities for portfolios positioned to capture the higher carry.

### March – Geopolitical Shock Drives Market Volatility

Market conditions changed dramatically in March, which proved to be the most significant period of volatility during the quarter.

The outbreak of the US–Israel–Iran conflict triggered a sharp rise in global energy prices and renewed concerns about inflation and stagflation. Iran’s disruption of oil flows through the Strait of Hormuz pushed crude oil prices above US\$100 per barrel, leading to a significant repricing of global interest rate expectations.

The Australian bond market experienced one of its most volatile months in recent years. Australian 10-year government bond yields rose approximately 0.32% during March, while 3-year yields increased by around 0.44%.

Domestic monetary policy expectations also shifted rapidly. Early in the month, comments from RBA Deputy Governor Andrew Hauser highlighted ongoing concerns around inflation, contributing to a sharp repricing of interest rate expectations and culminating in a 0.25% rate increase on 17 March. At one stage markets were pricing a terminal cash rate close to 4.95% before ending the month nearer 4.69%.

Importantly, government bonds failed to provide the traditional diversification benefits during the period. Bond yields and equity market volatility moved higher simultaneously, with bond market volatility reaching its highest levels since April 2025.

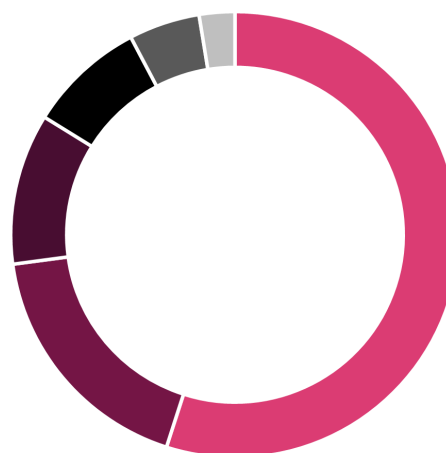
Credit markets also experienced volatility, although the magnitude of spread widening remained relatively contained. Australian bank Tier 2 spreads widened by roughly 0.07–0.15% for floating-rate securities, reflecting broader market risk aversion and the lingering effects of heavy issuance earlier in the quarter.

### Portfolio Positioning and Outlook

Throughout the quarter the Fund continued to benefit from its low duration profile and focus on floating-rate credit, which helped mitigate the impact of the sharp rise in government bond yields.

Looking ahead, the combination of geopolitical uncertainty, inflation risks and shifting central bank policy expectations is likely to keep interest rate volatility elevated. In this environment, the Fund’s emphasis on high-quality credit, floating-rate securities and disciplined issuer selection remains well suited to protecting capital while continuing to generate attractive income.

### Bond Type by Weight



- Subordinated Debt (54.94%)
- Senior Debt (17.94%)
- Hybrid (10.95%)
- LIT (8.47%)
- Cash (5.12%)
- Preferred Equity (2.57%)

# Oracle Fixed Interest Fund

## BOUGHT

- ◆ We bought Ausnet Subordinated Floating Rate Notes, callable on 04 Nov 2035. These are paying a coupon of 3month BBSW +1.77%, first coupon is 5.70% p.a.
- ◆ We bought the Tier 2 Subordinated note issued by IMB Limited, callable in Feb 2031. This pays a coupon of 3 month BBSW +1.85%. First coupon is 5.8375% p.a.
- ◆ We bought the new Tier 2 Subordinated note issued by Macquarie Bank Limited, callable in Aug 2031. This pays a coupon of 3 month BBSW +1.32%. First coupon is 5.3068% p.a. We SOLD existing holdings in Macquarie bonds to fund this purchase, thus extending the maturity of our exposure.
- ◆ We participated in the placement of the listed Gryphon Capital Income Trust (GCI) at Net Asset Value. The stock was trading at a significant premium to NAV at the time of the purchase.
- ◆ We participated in the placement of the listed Revolution Private Credit Income Trust (REV) at Net Asset Value. The stock was trading at a premium to NAV at the time of the purchase.

Top 10 Holdings	Weight
Scentre Group 31 Mar 2055 FRN (Call 30 Sep 2031)	5.08%
Avanti 23 Feb 30 FRN (Call 23 Feb 2030) Senior Sec	3.82%
Newcastle Coal Infrastructure Group (NCIG)	3.48%
ANZ Perpetual FRN (Call 18 Oct 30) Sub	3.42%
HSBC 11 Mar 35 FRN (Call 11 Mar 30) Sub	3.40%
Revolution Private Credit Income Trust	3.19%
AMP Bank Ltd 07 Oct 32 FRN (Call 07 Oct 27) Sub	3.17%
Pacific National 11 Dec 54 FRN (Call 11 Dec 29)	2.90%
Macquarie Bank Ltd 20 Aug 36 FRN (Call 20 Aug 31)	2.85%
Barclays PLC 28 May 35 (Call 28 May 30) Sub	2.75%

## SOLD

- ◆ We reduced our holding in Metrics Master Income Trust (MXT) at Net Asset Value.
- ◆ We sold our holding in BNP Paribas 7.00% Fixed Rate Tier 1 bond at a premium to issue price.
- ◆ We continue to sell our position in Australian Unity Perpetual Capital Notes at selective prices.
- ◆ We have sold the majority of our holding in Metrics Master Income Trust (MXT) at Net Asset Value or better.

The Fund distributed 0.39 Cents Per Unit for the month. Accordingly, the unit price will decrease by the same amount. This will be offset by a 0.39 cents per unit credit to holders' cash accounts.

## Portfolio Overview

Investment Manager	Oracle Investment Management Pty Ltd
Issuer	One Managed Investment Funds Limited
ARSN	650 401 004
Investment Objective	To provide a return comprised of a secure and predictable income stream with moderate capital growth. The Portfolio aims to outperform the Bloomberg AusBond Bank Bill Index on an annual basis.
Investment Strategy	To invest in credit securities from companies with strong management, and balance sheets that display characteristics such as sufficient liquidity and low levels of gearing. Diversification is achieved mainly through investment in securities across a range of industries.
Investment Universe	The Portfolio will primarily comprise of Australian Fixed Income including corporate bonds, listed sub-debt, listed hybrids, term deposits and cash. Dependent on market conditions the Portfolio may also invest in international corporate bonds and government bonds.
Recommended Investment Period	3 years
Minimum Initial Investment	\$25,000
Inception Date	1 December 2021

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**Jack Magann**  
Portfolio Manager

# Oracle Property Securities Portfolio

The Oracle Property Securities Portfolio returned -16.96% for the first quarter of 2026, compared to the benchmark, the ASX 300 Property Trust Index, which was down -16.42%. We also like to report that the Oracle Property Securities Portfolio has returned -6.55% p.a. over the past 2 years and 5.02% p.a. over the past 3 years.

The March quarter proved difficult for Australian listed property, with the ASX 300 Property Trust Index finishing the period in negative territory. The headwinds came from two primary sources: the resumption of RBA rate tightening and the inflationary shock triggered by the war in Iran.

On the domestic front, the RBA raised the official cash rate by 25 basis points at its February meeting, bringing the cash rate to 3.85%, the first increase since November 2023, reversing part of the three cuts delivered through 2025. A second 25 basis point rise followed in March, taking the cash rate to 4.10%. The decisions reflected persistent elevated inflation, with headline CPI sitting at 3.8% for the December 2025 quarter, well above the RBA's 2-3% target band, and underlying inflation continuing to surprise to the upside. The labour market remained tight, domestic demand was stronger than forecast, and the RBA signalled that further tightening remains possible if inflation fails to moderate. Markets are now pricing in the risk of one or two additional hikes before year-end.

For listed property trusts, rising interest rates are a direct headwind on two fronts. First, higher rates increase borrowing costs for REITs, which carry meaningful levels of debt to fund their asset bases; this compresses distributions and reduces net tangible asset values.

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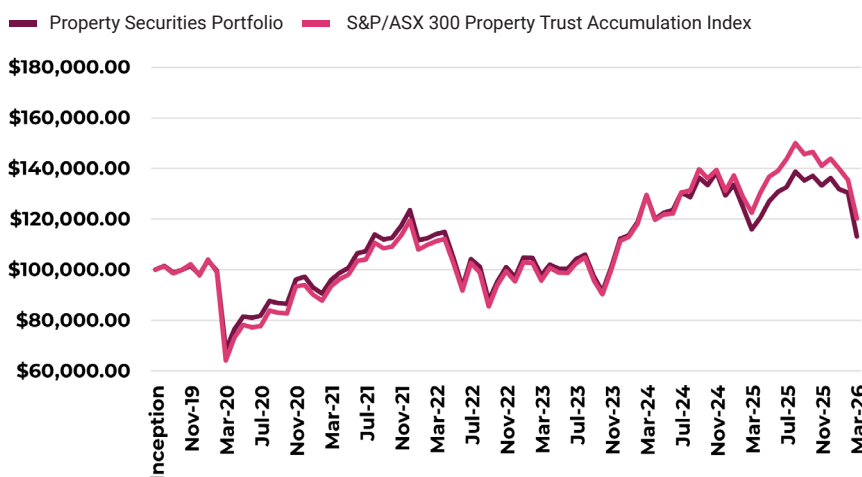
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## Portfolio Performance

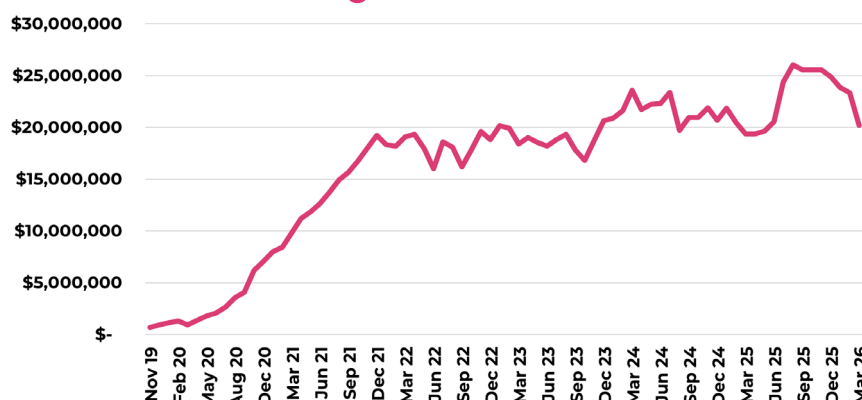
Rolling	Property Securities Portfolio	Benchmark (S&P/ASX 300 Property Trust Accum Index)	Outperformance
3 month	-16.96%	-16.42%	-0.54%
6 month	-16.37%	-17.44%	1.07%
1 year	-2.36%	-1.90%	-0.46%
2 year p.a.	-6.55%	-3.65%	-2.90%
3 year p.a.	5.02%	7.91%	-2.89%
5 year p.a.	3.34%	5.18%	-1.84%
Since Inception p.a (1 August 2019)	1.87%	2.81%	-0.94%

## Comparative Performance

Property Securities vs S&P/ASX 300 Property Trust Accum Index (since inception)



## Funds Under Management (since inception)



## Oracle Property Securities Fund

Second, as risk-free rates rise, the yield premium that investors demand from property securities also rises, pushing prices down to rebalance the spread. This dynamic was clearly visible across the portfolio during the quarter, with even high-quality names selling off alongside the broader sector.

The outbreak of direct US-Israeli military action against Iran on 28 February added another layer of complexity. While the conflict initially triggered a surge in gold and other safe-haven assets, the more durable effect has been an energy price shock of the kind that is particularly damaging for property-owning businesses and their tenants. The closure of the Strait of Hormuz, through which approximately 20% of the world's oil and gas flows —, sent oil prices above \$100 per barrel, driving petrol prices in Australia up approximately 15% within weeks. This added fuel to already-elevated inflation, reinforcing the RBA's hawkish posture and pushing bond yields higher. The 10-year Australian government bond yield moved materially during the quarter, directly pressuring REIT valuations, which are priced as a spread to the risk-free rate. The broader uncertainty also dampened investor appetite for yield-oriented equities, with capital rotating toward commodities and inflation-protected assets.

We have high exposure to the residential development sector through Cedar Woods Properties, Aspen Group and Peet Ltd. While all three operate different business models, they are all taking advantage of the current housing supply/demand mismatch.

All three companies are reporting results well ahead of expectations because the supply-demand imbalance that has been building for a decade is now at an acute stage. Planning approval timelines have lengthened, construction costs remain elevated, the skilled trades workforce is stretched, and migration continues to add net population at a rate the housing stock cannot keep pace with.

Each of the three names in this sector that we own have been upgrading guidance, but they are all benefitting in different ways.

**Cedar Woods** is capturing the demand through rapid lot settlements, which has allowed margin expansion across its national land subdivision pipeline.

**Peet** is monetising its large pre-activated landbank and a funds management model that generates asset-light fee income without over gearing their balance sheet.

**Aspen** is capturing the lower end of the market where social and public housing has failed to keep pace, turning structural housing stress into reliable net rental income growth and development margins.

The fact that all three have upgraded full-year guidance during the half-year reporting season is a strong signal that the sector tailwind still has runway. We are happy to remain overweight in this sector.

Despite the difficult backdrop, we are comfortable with the positioning of the portfolio. Our bias toward industrial and diversified REITs, with strong long-term demand drivers of logistics and essential retail, plus our residential development exposure, means the portfolio is not heavily exposed to the sectors most at risk, namely office and discretionary retail. We also remain selective on valuations, carrying a 7.5% cash position, which gives us the flexibility to act as attractive opportunities emerge from the sell-off.

Top 10 Performers	Portfolio Position	3 month Performance
Arena REIT	0.30%	-1.4%
Peet Limited	4.27%	-3.4%
Rural Funds Group	3.16%	-3.7%
BWP Group	1.10%	-4.3%
Vicinity Centres	6.93%	-6.2%
Abacus Storage King	0.09%	-8.9%
HomeCo Daily Needs REIT	0.10%	-12.0%
Gemlife Communities	4.30%	-12.6%
Ingenia Group	SOLD	-14.0%
Cedar Woods Property	3.80%	-14.8%

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# Oracle Property Securities Fund

## BOUGHT

### Cedar Wood Property – Add +1.25%

With a strong balance sheet and a high level of pre-sales, we have confidence in future revenue growth. The new JV was recently formed, using third-party capital to provide growth.

### Peet– Add +1.25%

The same sentiment as Cedar Woods above. Peet has also formed a JV with another investment group, which will help them grow.

### Scentre Group – Add +1.0%

Being the largest owner/manager of Westfield shopping centres in Australia, we like the steady, reliable income that Scentre Group provides.

### BWP REIT – BUY +1.0%

A small add of a quality company. With Bunnings as their tenant and a conservative balance sheet, cash flow is predictable.

## SOLD

### Arena REIT – Trim -2.0%

The childcare sector has been out of favour with investors lately, and this has also impacted Arena. For this reason, we have trimmed.

### Ingenia Group – Trim -1.25%

Already a large weighting in the portfolio, we are taking this capital and placing it into the pure play residential developers of Cedar Wood and Peet. We believe this will provide a better return for our investors.

### Stockland Group – Trim -1.25%

The same story as Ingenia, this is a large holding, and we have chosen to place some of that capital in other names.

Portfolio Characteristics	Portfolio	Index
Historical - FFO growth - 3 years	6.2%	5.3%
Forward - FFO Growth	11.9%	10.3%
Price/FFO Forward - 1 year	15.8	14.9
PEG Ratio (Median)	1.6	1.8
Dividend Yield	5.1%	3.5%
Return on Equity (Median)	11.6%	9.0%
Return on Invested Capital (Median)	8.2%	7.1%
Operating Margin (Median)	24.5%	13.6%
Gearing (Debt/Equity)	32.50%	35.20%
Beta	0.93	1.00
Number of Holdings	15	31

Portfolio Overview	
Investment Manager	Oracle Investment Management Pty Ltd
Investment Objective	To provide investors with long-term capital growth and income. The portfolio aims to outperform its benchmark over a rolling 3 year period.
Investment Strategy	To use active bottom up stock selection, focusing on buying quality companies at reasonable prices. The securities are assessed as meeting our investment criteria of strong earnings growth and as likely to provide attractive returns to investors.
Benchmark	S&P/ASX 300 Property Trust Accumulation Index
Investment Universe	Listed ASX Securities that invest in and or Manage Property Investments. Portfolio may invest in listed ETFs.
Recommended Investment Period	3-5 years
Minimum Initial Investment	\$25,000
Inception Date	1 August 2019

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# Capital Stable Portfolio

The Capital Stable Portfolio suits investors seeking a diversified portfolio that invests primarily in defensive assets with low volatility, reliable yield and a focus on capital preservation.

Investors in this portfolio are forgoing the potential for higher returns over the long term for relative security.

Asset Class	Allocation
Cash	6.9%
Fixed Interest	67.7%
Property Securities	0%
Emerging Companies	0%
Australian Equities	9.2%
Gold	9.1%
Silver	2.0%
Global Equities	5.1%

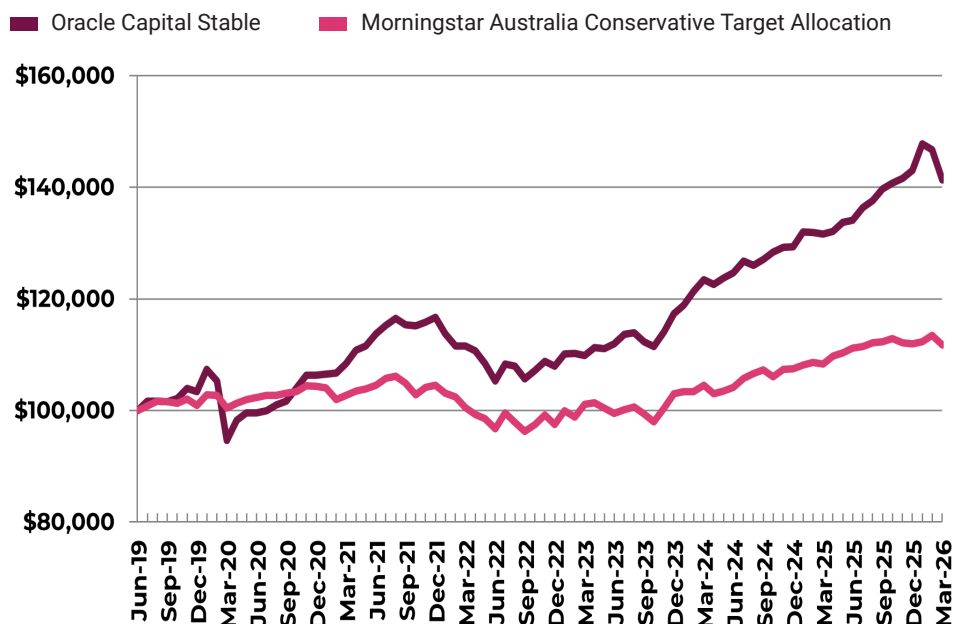
Investment Fee (% per annum)	
Capital Stable Portfolio	0.6%

## Portfolio Performance

Rolling	Oracle Capital Stable	Benchmark (Morningstar Australia Conservative Target Allocation)	Comparative Performance
3 month	-1.20%	-0.14%	-1.06%
6 month	1.20%	-0.51%	1.71%
1 year	7.38%	3.14%	4.24%
2 year p.a.	7.00%	3.41%	3.59%
3 year p.a.	8.77%	3.41%	5.36%
5 year p.a.	5.45%	1.70%	3.75%
Inception p.a. (1 July 2019)	5.26%	1.66%	3.60%

## Comparative Performance

Oracle Capital Stable vs Morningstar Aus Conservative (since inception)



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# Conservative Portfolio

The Conservative Portfolio suits investors seeking a diversified portfolio that invests primarily in defensive assets with low volatility, reliable yield and a focus on capital preservation.

Investors in this portfolio are foregoing the potential for higher returns over the long term.

Asset Class	Allocation
Cash	7%
Fixed Interest	57.2%
Property Securities	0%
Emerging Companies	0%
Australian Equities	10.2%
Gold	9.9%
Silver	3.0%
Global Equities	12.9%

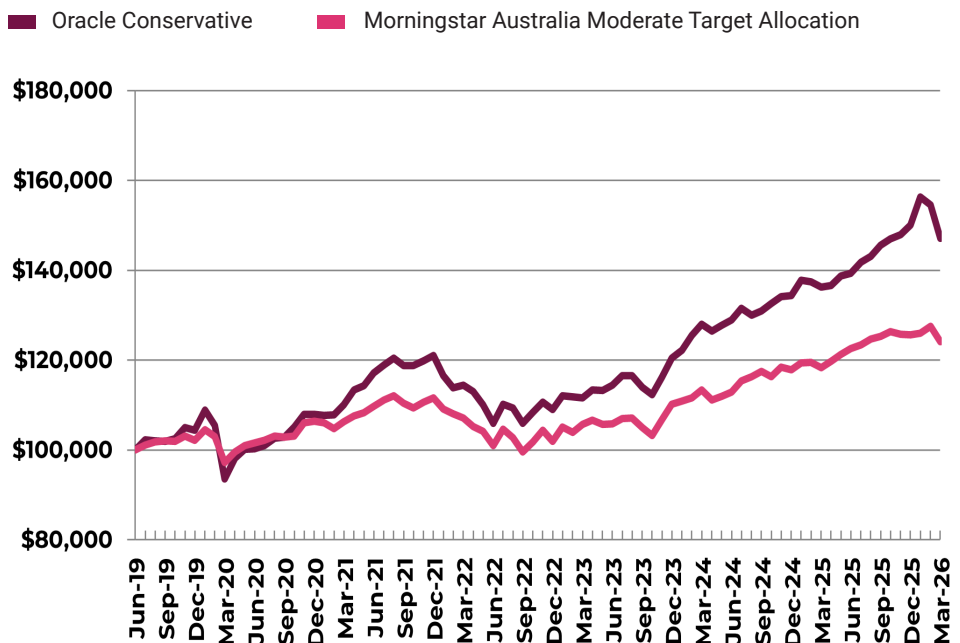
Investment Fee (% per annum)	
Conservative Portfolio	0.65%

## Portfolio Performance

Rolling	Oracle Conservative	Benchmark (Morningstar Australia Moderate Target Allocation)	Comparative Performance
3 month	-1.93%	-1.21%	-0.72%
6 month	1.05%	-0.98%	2.03%
1 year	7.97%	4.89%	3.08%
2 year p.a.	7.18%	4.63%	2.55%
3 year p.a.	9.64%	5.48%	4.16%
5 year p.a.	5.98%	3.15%	2.83%
Inception p.a. (1 July 2019)	5.88%	3.25%	2.63%

## Comparative Performance

Oracle Conservative vs Morningstar Aus Moderate (since inception)



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# Balanced Portfolio

The Balanced Portfolio suits investors who require a balanced portfolio, diversified across all major asset classes, seek capital growth over the medium to long term with a moderate level of income, accept a moderate degree of volatility associated with a relatively higher exposure to growth assets and are prepared to invest for the minimum investment timeframe.

Asset Class	Allocation
Cash	1.6%
Fixed Interest	47.5%
Property Securities	1.8%
Emerging Companies	2.7%
Australian Equities	13.8%
Gold	9.9%
Silver	3.0%
Global Equities	19.9%

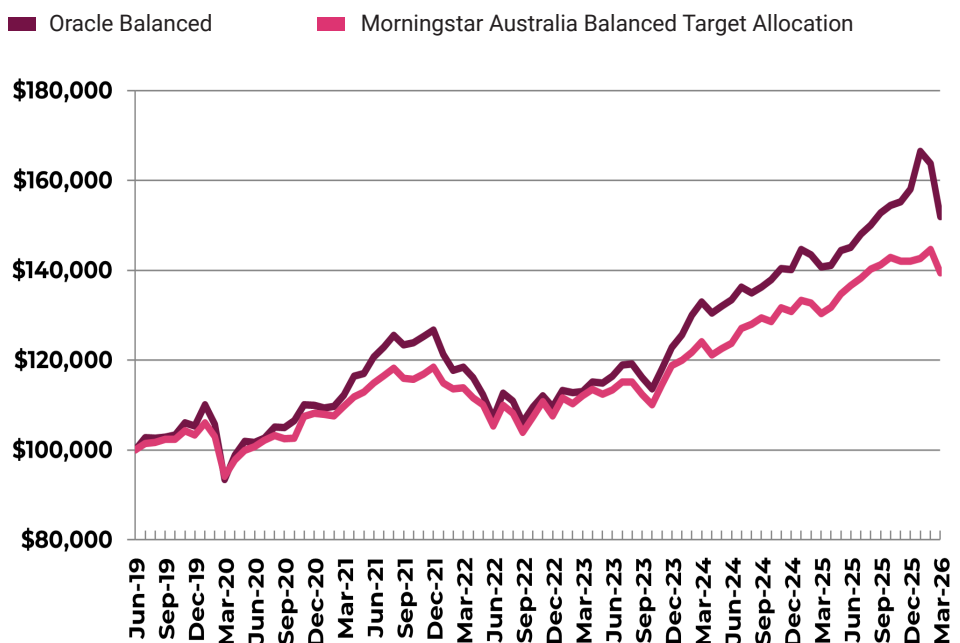
Investment Fee (% per annum)	
Balanced Portfolio	0.7%

## Portfolio Performance

Rolling	Oracle Balanced	Benchmark (Morningstar Australia Balanced Target Allocation)	Comparative Performance
3 month	-3.85%	-1.82%	-2.03%
6 month	-0.56%	-1.20%	0.64%
1 year	7.97%	6.96%	1.01%
2 year p.a.	6.91%	5.99%	0.92%
3 year p.a.	10.38%	7.56%	2.82%
5 year p.a.	6.25%	4.92%	1.33%
Inception p.a. (1 July 2019)	6.39%	5.05%	1.34%

## Comparative Performance

Oracle Balanced vs Morningstar Aus Balanced (since inception)



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Growth Portfolio

The Growth Portfolio suits investors who seek the potential for a relatively high level of growth and a modest level of income, accept a higher level of short-medium term capital volatility as a trade-off for long-term capital growth and are prepared to invest for the minimum investment timeframe.

Asset Class	Allocation
Cash	1.5%
Fixed Interest	34.9%
Property Securities	2.7%
Emerging Companies	3.7%
Australian Equities	15.4%
Gold	9.9%
Silver	3.0%
Global Equities	29.0%

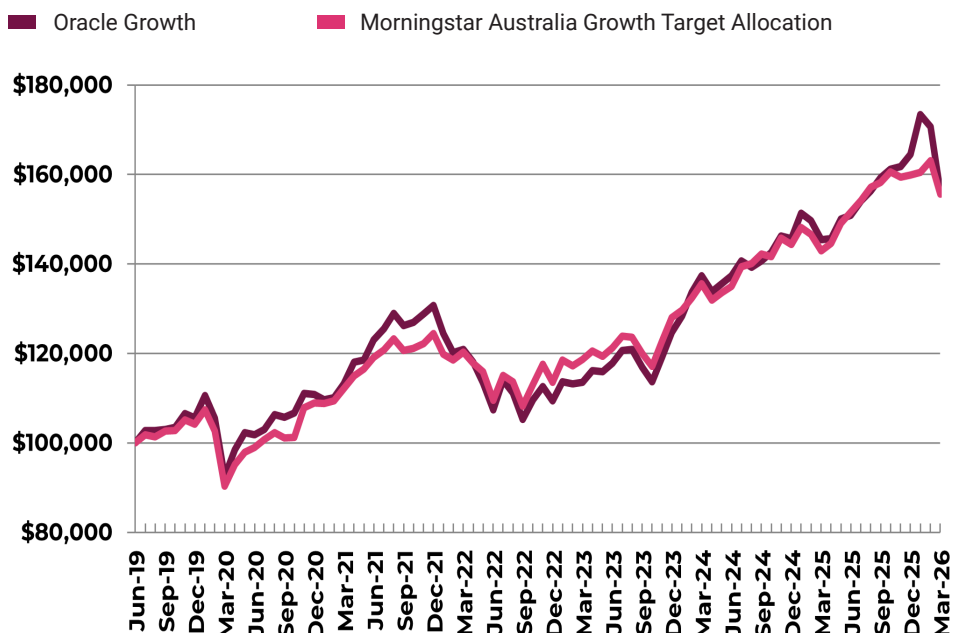
Investment Fee (% per annum)	
Growth Portfolio	0.75%

Portfolio Performance

Rolling	Oracle Growth	Benchmark (Morningstar Australia Growth Target Allocation)	Comparative Performance
3 month	-5.10%	-2.62%	-2.48%
6 month	-1.97%	-1.66%	-0.31%
1 year	7.34%	8.89%	-1.55%
2 year p.a.	6.60%	7.12%	-0.52%
3 year p.a.	11.20%	9.47%	1.73%
5 year p.a.	6.64%	6.78%	-0.14%
Inception p.a. (1 July 2019)	6.82%	6.77%	0.05%

Comparative Performance

Oracle Growth vs Morningstar Aus Growth (since inception)



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# High Growth Portfolio

The High Growth Portfolio suits investors who seek a relatively high level of growth on investment capital, accept a high level of short-medium term capital volatility as a trade-off for long-term capital growth and are prepared to invest for the minimum investment timeframe.

Asset Class	Allocation
Cash	1.7%
Fixed Interest	10.6%
Property Securities	3.8%
Emerging Companies	7.6%
Australian Equities	20.7%
Gold	9.9%
Silver	3.0%
Global Equities	42.8%

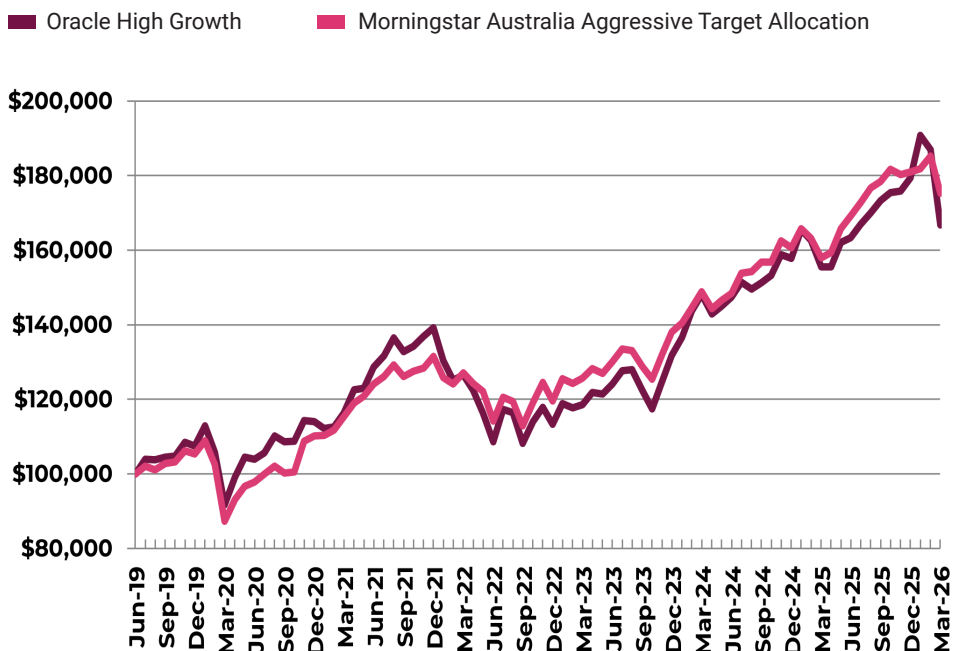
Investment Fee (% per annum)	
High Growth Portfolio	0.85%

## Portfolio Performance

Rolling	Oracle High Growth	Benchmark (Morningstar Australia Aggressive Target Allocation)	Comparative Performance
3 month	-7.05%	-3.15%	-3.90%
6 month	-3.75%	-1.78%	-1.97%
1 year	7.25%	11.02%	-3.77%
2 year p.a.	6.08%	8.52%	-2.44%
3 year p.a.	12.03%	11.72%	0.31%
5 year p.a.	7.48%	8.74%	-1.26%
Inception p.a. (1 July 2019)	<b>7.87%</b>	<b>8.67%</b>	<b>-0.80%</b>

## Comparative Performance

Oracle High Growth vs Morningstar Aus Aggressive (since inception)



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oracle  
advisory  
group

## Investment Manager

Oracle Investment Management Pty Ltd  
PO Box 33, Charlestown, NSW 2290  
02 4088 6444 | info@oracleim.com.au | oracleim.com.au  
ABN 15 149 971 808 | AFS Licence 430574

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## Responsible Entity – Oracle Fixed Interest Fund

One Managed Investment Funds Limited  
ACN 117 400 987 | AFSL 297042

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## Responsible Entity & Issuer - Oracle Managed Accounts

The Trust Company (RE Services) Limited  
ABN 45 003 278 831 | AFS Licence 235150

## Promoter

Margaret Street Promoter Services Pty Ltd  
ABN 23 153 446 210 | AFS Licence 420274

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