TYNDALL AUSTRALIAN SHARE WHOLESALE FUND.

FUND UPDATE

AS AT
31 MAY 2022

Fund Performance (%)

	1 Mth	3 Mths	6 Mths	1 Yr	3 Yrs p.a.	5 Yrs p.a.	10 Yrs p.a.	15 Yrs p.a.	20 Yrs p.a.	Since Inception p.a
Fund growth return	0.06%	9.66%	4.89%	9.27%	1.65%	-1.45%	3.23%	-0.88%	2.33%	3.62%
Fund distribution return	0.00%	0.00%	1.77%	4.76%	6.61%	7.23%	5.87%	6.37%	6.49%	6.34%
Total Fund (net)	0.06%	9.66%	6.67%	14.03%	8.26%	5.78%	9.10%	5.49%	8.82%	9.95%
Benchmark return	-0.85%	8.24%	3.59%	10.16%	9.42%	8.81%	9.90%	5.67%	8.59%	9.56%
Excess Return	0.92%	1.42%	3.07%	3.87%	-1.15%	-3.03%	-0.80%	-0.18%	0.24%	0.39%

Source: BNP Paribas. Fund growth return is the change in redemption prices over the period. Fund distribution return equals Total Fund minus fund growth return. Fund net returns are post fees, pre tax using redemption prices and assume reinvestment of distributions. Past performance is not an indicator of future performance. Benchmark: S&P/ASX 200 Accumulation Index. Inception date: March 1995.

The Fund outperformed the benchmark over the month.

Key contributors to relative performance:

- The nil holding in **Goodman** contributed to performance. Goodman underperformed the market after Amazon reported a softening of consumer demand and may have over committed to industrial space used to manage its inventory.
- The nil position in **Macquarie** contributed to performance. Macquarie reported a record full year profit result driven by very strong market facing business income and asset sales. However, guidance for FY23 was typically conservative and below FY22 and thus the stock underperformed.
- **Santos** contributed to performance. Santos outperformed, driven largely by ongoing strength in crude oil prices as the market shrugged off China lockdown concerns and moved the focus to supply concerns driven by increased sanctions against Russian crude and doubts about the ability of other major producers to provide an offset.
- The nil position in **Woolworths** contributed to performance. Woolworths underperformed after the market reacted to the weak results of Walmart and Target in the US due to issues in general merchandise.
- The overweight position in **Downer** contributed to performance. Downer outperformed after providing a better-than-expected market update. While the earnings are likely to be impacted by COVID and weather through FY22, arguably the negative impacts are less than might have been expected by the market.

Key detractors from relative performance:

- The underweight holding in **Commonwealth Bank** (CBA) detracted from performance. CBA outperformed after the banks announced results which indicated that margins would improve as rates rise.
- **Coles** detracted from performance. Along with other consumer staples, Coles gave back the outperformance of the previous month due to

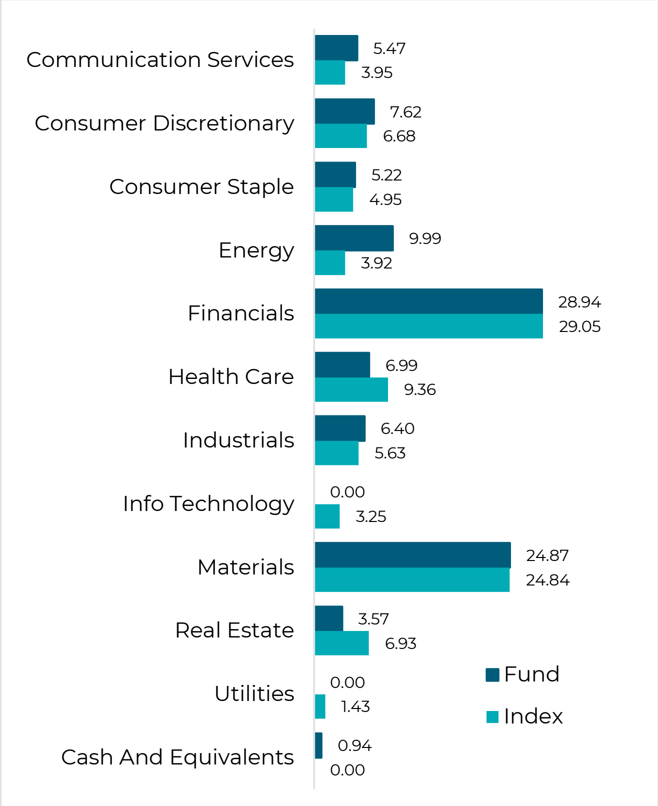
weak results from Walmart and Target in the US. However, these results are not relevant to Coles as the issues were in the general merchandise areas, not groceries.

- **SkyCity Entertainment** detracted from performance. There was no company specific news. Rather, we believe the weakness was due to The Star Entertainment Group's public hearing over its suitability to hold a NSW casino licence weighing on the sector.
- **Nine Entertainment** detracted from performance. Market concerns about the consumer and the flow-on effects to advertising and subscriptions, resulted in downward pressure on Nine Entertainment. It has also experienced a drag from its 55% stake in Domain, which has fallen with other online stocks.
- The underweight position in **CSL** detracted from performance. CSL outperformed the market after it and its competitor Grifols reported that blood plasma collections were returning to pre-pandemic levels.

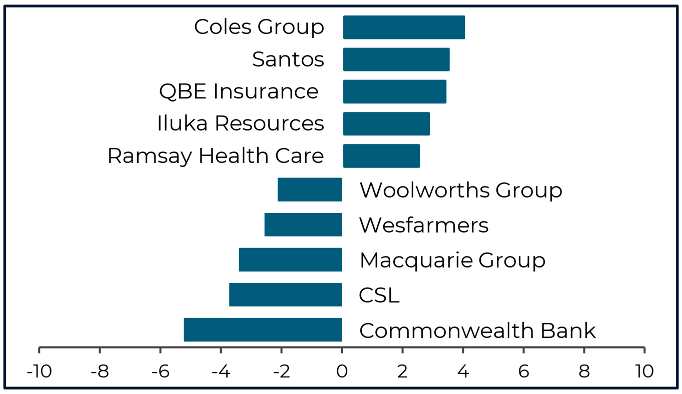
Top 10 Holdings

Security Name	% of Fund
BHP Group	12.17
Westpac Bank	5.79
National Australia Bank	5.76
ANZ Bank	5.76
Coles Group	5.22
Santos	4.66
Telstra	4.49
QBE Insurance	4.27
Woodside Petroleum	3.50
Ramsay Health Care	3.23

Sector Exposure (%)



Top 5 Over/Underweight Positions (%)



Fund Metrics

	Price to Earnings Ratio*	Forecast Dividend Yield (%)*
Fund	12.88	4.95%
Benchmark	14.95	4.38%

Actual figures may vary. Forecasts are 12 months forward.
* Based on Broker Consensus forecast.

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Market Commentary

The S&P/ASX 200 Accumulation Index returned -2.6% during the month. Australian equities underperformed global equity markets in May. Global equities had mixed results in May, as the willingness of central banks to shift monetary policy weighed on investor sentiment. In the major developed markets, the US S&P 500 returned 0.2%, Japan's Nikkei 225 returned 1.6%, and the UK's FTSE 100 returned 1.1%, while the DJ Euro Stoxx 50 returned 1.3% (in local currency terms).

Monetary policy settings tightened during the month as the Reserve Bank of Australia (RBA) in its May meeting raised the cash rate target by 25 bps, to 0.35%.

Domestic economic data releases in May were largely positive. Employment rose by 11,780 positions in April, taking the number of employed persons in Australia to a new record high. The unemployment rate was unchanged at 3.9%, the lowest jobless rate since August 2008. The NAB Survey of Business Conditions rose to 5 points to 20 index points in April. Business confidence eased but remains above its long-term average, falling 6 points to 10 index points in April. Retail sales were up 0.9% in April. National CoreLogic dwelling values saw a monthly fall in May, down 0.1%, the first monthly decline since July 2019.

Apart from materials, all sectors were down in May. The best performing sectors were materials (0.1%), utilities (-0.2%) and industrials (-0.5%). Energy (-0.7%), health care (-1.1%) and financials (-2.2%) also outperformed the broader index. Consumer discretionary (-5.2%), communication services (-6.5%), consumer staples (-6.6%), information technology (-8.7%) all underperformed the broader index. Real estate (-8.9%) was the worst performing sector.

In notable stock specific news, the merger between oil and gas major Woodside Energy Group and diversified miner BHP's petroleum assets was completed. Tabcorp's lotteries and Keno business was successfully spun out into The Lottery Corporation.

ESG is incorporated into each and every valuation

Fund Objective

The Fund aims 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.

Key Facts

Responsible Entity
Yarra Investment Management Limited

APIR Code
TYN0028AU

Portfolio Manager
Brad Potter, Jason Kim

Asset Allocation

Australian Shares	80% - 100%
International Shares	0% - 10%
Cash	0% - 10%

Minimum Investment
AUD 10,000 or platform nominated minimums

Buy/Sell Spread
0.20%/0.20%

Management Cost
0.80% p.a.

Distribution Frequency
Half yearly

Fund Size
AUD 712.45 million

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Important information: This material was prepared and issued by Yarra Investment Management Limited ABN 34 002 542 038, AFSL 229664 (YIML) who is the responsible entity and issuer of units in the Tyndall Australian Share Wholesale Fund ARSN 090 089 562 (Fund). The information contained in this material is of a general nature only and is not personal advice. It does not take into account the objectives, financial situation or needs of any individual. Investors should consult a financial adviser as well as the information contained in the Fund's current Product Disclosure Statement (PDS) and the 'Additional Information to the PDS' which are available at www.tyndallam.com/invest before deciding to invest in the Fund. Applications will only be accepted if made on a current application form. An investment in the Fund is not a bank deposit and distributions and the return of capital are not guaranteed. Past performance is not an indicator of future performance. Any references to particular securities or sectors are for illustrative purposes only and are as at the date of publication of this material. This is not a recommendation in relation to any named securities or sectors and no warranty or guarantee is provided that the positions will remain within the portfolio of the Fund.