

Selector Australian Equities Fund

Monthly report – March 2026

selector

Market insights

March was defined by a sharp shift in the macro narrative, driven primarily by geopolitics and energy markets. An escalation in Middle East tensions and risks to shipping routes pushed oil prices sharply higher, alongside higher bond yields as inflation expectations rose. The moves in oil prices saw the ASX Energy sector close up 19% for the month. More broadly, equity markets have seen a broad and deep sell off, however, this too masks the rotation that has been underway for much of the quarter. This is best reflected in the ASX20 Index rising 2.3% over this period, while the ASX200 ex the ASX20, recorded a fall of 9.5%.

We continue to watch the AI story play out, a technology that will separate early adopters and leaders from laggards, where much routine work is becoming automated. This impact is already evident, with Australian businesses Atlassian and WiseTech Global announcing respective headcount reductions of around 1,600 (10% of workforce) and 2,000 (30% of workforce) respectively. It should be noted that the chief AI disrupters, OpenAI and Anthropic have yet to prove out their own commercial models. They remain loss making, with significant capital investment still required and importantly, offer little in the way of business uniqueness, displaying commodity type characteristics.

The ultimate beneficiaries will be those businesses who already enjoy wide and enduring moats and use AI as a tailwind. The rise of “vibe coding”, a software development method where AI generates code based on a user’s natural language, places businesses without unique and deep proprietary data at risk. We would highlight a recent AGM presentation by TechnologyOne CEO Edward Chung, where he laid out multiple dimensions contributing to a business’ AI resilience. Those businesses with proprietary data, who have embedded AI directly within their platforms, offering secure, mission critical products and solutions with a sensible pricing model are more likely to find themselves in a winning position. Our forthcoming March quarterly newsletter discusses AI in greater detail.

We continue to seek businesses with:

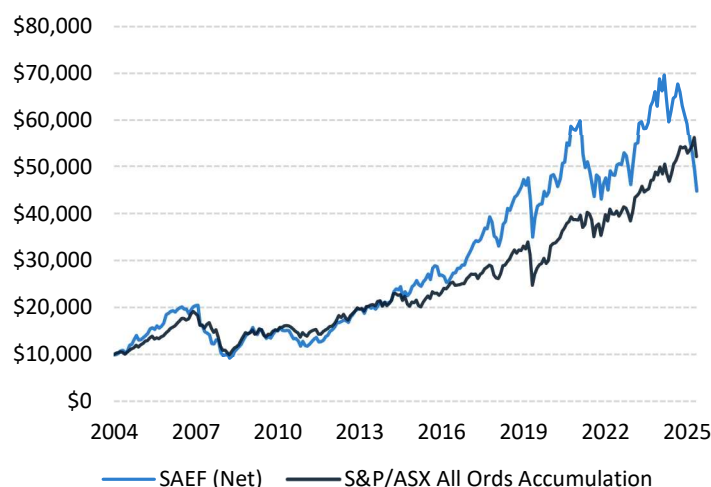
1. Competent management teams
2. Business leadership qualities
3. Strong balance sheets
4. A focus on capital management

Performance as at 31 March 2026¹

	1 Month	3 Month	6 Month	1 Year	3 Year ²	5 Year ²	10 Year ²	15 Year ²	20 Year ²	Since Inception ²
Fund (gross of fees)	(9.11)	(18.94)	(28.56)	(24.03)	(1.31)	0.14	7.55	10.12	8.04	9.87
Fund (net of fees)	(9.20)	(19.13)	(28.93)	(24.82)	(2.37)	(1.09)	5.79	7.49	5.45	7.29
All Ords Accum. Index	(7.30)	(2.66)	(3.44)	11.29	9.36	8.36	9.46	8.10	6.95	8.04
Difference (net of fees)	(1.90)	(16.47)	(25.49)	(36.11)	(11.73)	(9.45)	(3.67)	(0.61)	(1.50)	(0.75)

¹Performance figures are historical percentages, calculated using end of month redemption prices, and do not allow for the effects of income tax or inflation. Returns assume the reinvestment of all distributions. Past performance is not a reliable indicator of future results. ²Returns greater than 1 year are annualised.

Net value of \$10,000 invested since inception



Inception Date: 07/12/2004. Benchmark: S&P/ASX All Ordinaries Accumulation Index. Fund returns are after fees and costs, and assuming reinvestment of distributions. Past performance is not a reliable indicator of future results.

Top holdings

Company name	Code	Weight (%)
TechnologyOne	TNE	7.99
Nanosonics	NAN	7.49
Resmed	RMD	6.77
Aristocrat Leisure	ALL	5.98
FINEOS Corporation Holdings	FCL	5.85
CAR Group	CAR	5.70
Breville Group	BRG	5.58
Reece	REH	5.16
James Hardie Industries	JHX	5.00
Fisher & Paykel Healthcare	FPH	4.80

Unit prices as at 31 March 2026

Entry price	\$2.2605
Mid price	\$2.2549
Exit price	\$2.2493

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Performance contributors

Top five	Contribution (%)
Telix Pharmaceuticals	0.98
Nanosonics	0.64
TechnologyOne	0.24
Medical Developments International	(0.02)
PolyNovo	(0.02)

Bottom five	Contribution (%)
James Hardie Industries	(1.43)
Breville Group	(1.04)
Reece	(0.86)
WiseTech Global	(0.84)
FINEOS Corporation Holdings	(0.83)

About Selector

Equity Trustees Limited (“Equity Trustees”) (ABN 46 004 031 298), AFSL 240975, is the Responsible Entity for the Selector Australian Equities Fund (“the Fund”). Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT).

The Investment Manager, Selector Funds Management (“Selector”), specialises in high conviction, index agnostic, concentrated portfolio management. The investment team have a high level of experience, are owners of the business and invest in the funds alongside clients.

Disclaimer

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Selector’s Target Market Determination is available [here](#). A Target Market Determination is a document which is required to be made available from 5 October 2021. It describes who this financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed.

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