Drummond CFS High Growth Portfolio
FirstChoice - Super & Pension
Monthly Update - January 2026

MARKET COMMENTARY

January saw the positive momentum for global equities continue, with the MSCI ACWI rising 2.5%. The world Economic Forum in Davos was held against a backdrop of heightened geopolitical tension, with Greenland emerging as a focal point. In the lead up, U.S. President Trump threatened tariffs on several European countries as part of efforts to secure control over Greenland, prompting an initial negative reaction across equity and bond markets. These moves subsequently reversed, with markets closing higher following Trump changing his position remarking that any U.S framework for Greenland's future would not involve tariffs on Europe. The S&P 500 gained 1.5%, breaching 7,000 for the first time on continued AI optimism. Emerging markets gained 8.9%, supported by inflows from global investors seeking to counterweight to U.S equity risks.

Australian equities were led by resource and energy sector strength, rising 8.8% and 6.5% respectively, in contrast to the 4.2% decline for the technology sector. The broader market rose 1.8%, despite higher headline and underlying inflation at 3.6% and 3.4% respectively, persistently above the RBA's 2.5% midpoint of its target range. This prompted local markets to price in a February interest rate hike. Anticipation of higher rates weighed on Australian REITs, falling 3.2%.

U.S Treasury yields were flat on caution over global rate paths, with Trump nominating former Fed Governor Kevin Warsh to replace Jerome Powell as the next Chair of the Fed. Similarly, Australian bonds were flat and saw late bidding on inflation digestion. High-yield and investment grade credit rose 0.6% and 0.3% respectively.

Commodities were mostly strong with oil rising 12..6% on geopolitical concerns including the potential for U.S action against Iran disrupting global supply. Gold gained 16.3% on continued safe-haven bidding, though a late month sell-off trimmed some gains, with silver and copper also falling as expectations of aggressive U.S rate cuts faded following Trump's Fed chair nomination. The Australian dollar surged to three-year highs on greenback weakness, strong commodity prices and prospects of a Reserve Bank rate hike.

PORTFOLIO COMMENTARY

The Drummond CFS High Growth Portfolio delivered 0.6% in January. This compares to a return of 0.5% for the FE AMI Aggressive Index.

Strong performance from Australian equity managers stemmed from solid gains in the resource sector. Global equity performance was mixed. The hedged global equities index exposure benefited from a rising local currency, while Fidelity Asia Fund underperformed its benchmark due to cautious positioning in the technology sector. The infrastructure allocation delivered a solid return, while bond and credit managers contributed positively across the board.

The Yarra Global Small Companies Fund was added to the portfolio during the month, funded through a commensurate reduction in the portfolio's global equities index exposure.

PORTFOLIO OVERVIEW

This portfolio has a neutral exposure to growth assets of 90% and is only suitable for those investors willing to accept significant volatility.

KEY FACTS

Inception Date	Apr-24
Asset Class	Global Multi Asset
Style	Active
Typical Split	90% Growth / 10% Defense
Investment Horizon	9 years
Benchmark Index	FE AMI Aggressive
Est. Total Cost Super*	0.86% p.a.
Est. Total Cost Pension*	0.86% p.a.

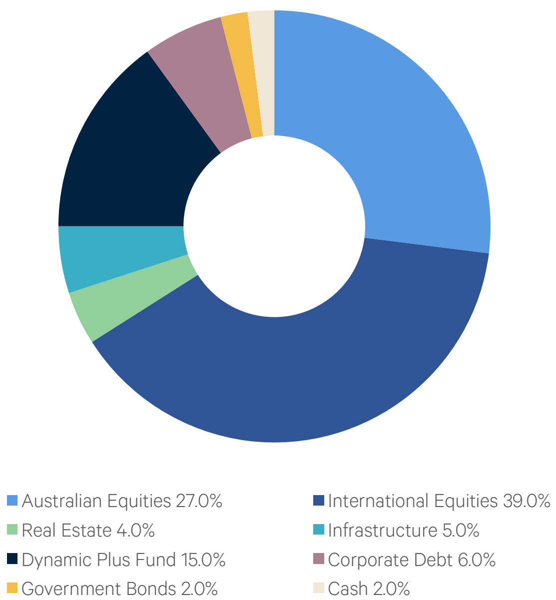
*Fees represent total administration fees, investment fees and costs, and exclude transaction costs.

TACTICAL TILTS*

Australian Equities	Underweight
International Equities	Overweight
Real Estate	Neutral
Infrastructure	Overweight
Government Bonds	Underweight
Corporate Debt	Overweight
Cash	Neutral

*Look through asset class exposure including Dynamic Plus Fund

CURRENT ASSET ALLOCATION



Wholesale clients only

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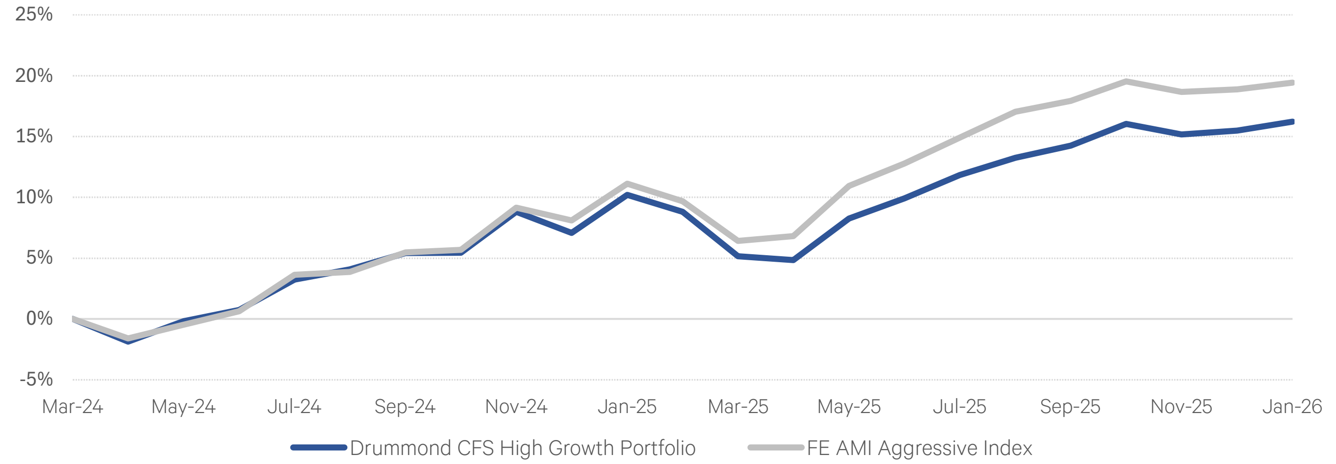
PORTFOLIO PERFORMANCE – JANUARY 2026 (Pension)

	1m %	3m %	6m %	1yr %	3yr pa %	S.I pa %
Drummond CFS High Growth Portfolio	0.6	0.2	3.9	5.5		8.7
FE AMI Aggressive Index	0.5	-0.1	4.0	7.5		10.3
Difference	0.1	0.3	-0.1	-2.0		-1.6

Note: Past performance is not a reliable indicator of future performance.

Source: Drummond Capital Partners, Refinitiv, FE FundInfo. Inception Date is 10 April 2024.

PERFORMANCE SINCE INCEPTION (Pension)



PORTFOLIO HOLDINGS

ASSET CLASS	FUND MANAGER	WEIGHT %
DIVERSIFIED REAL RETURN		15.0
	Drummond Dynamic Plus Fund	15.0
AUSTRALIAN EQUITIES		27.0
	Solaris Australian Share Fund	9.0
	Pendal Australian Share Fund	9.0
	DNR Capital Australian Equities High Conviction Fund	5.0
	Longwave Australian Small Companies Fund	4.0
INTERNATIONAL EQUITIES		39.0
	Colonial First State Wholesale Index Global Share Fund - Hedged	16.0
	Colonial First State Wholesale Index Global Share Fund	8.0
	Acadian Global Equity Fund	7.0
	Yarra Global Small Companies Fund	4.0
	Fidelity Asia Fund	4.0
REAL ESTATE		4.0
	Pendal Property Securities Fund	2.0
	Quay Global Real Estate Fund	2.0
INFRASTRUCTURE		5.0
	ClearBridge RARE Infrastructure Value Fund	5.0
CASH		2.0
	CFS Enhanced Cash Fund	2.0
GOVERNMENT BONDS		2.0
	Western Asset Wholesale Australian Bond Fund	2.0
CORPORATE DEBT		6.0
	Kapstream Wholesale Absolute Return Income Fund	4.0
	Perpetual Wholesale Diversified Income Fund	2.0
TOTAL LOOK THROUGH EXPOSURE (inc. Plus Fund)		
	Growth Assets	92.3
	Defensive Assets	7.7