LAURIUM CAPITAL

LAURIUM GLOBAL ACTIVE EQUITY FUND

Quarterly Commentary June 2026

Market commentary

Global equity markets delivered a strong but volatile quarter from April to June 2026, influenced by the Iran-related conflict and the associated fluctuations in geopolitical tensions, alongside resilient corporate earnings and sustained AI-driven technology and industrial investment. The MSCI AC World Index increased by approximately +15.1% in US dollars over the quarter, reflecting broad-based gains. Markets largely discounted geopolitical shocks, despite oil price volatility, although this contributed to higher inflation expectations and bond yield fluctuations. A concentrated sequence of central bank decisions (Fed, ECB, BoJ) highlighted a shift toward a more uncertain monetary policy environment, contributing to late-quarter volatility.

Developed markets were led by the U.S., where robust earnings and continued capital expenditure in data centres and semiconductors supported performance; the S&P 500 rose approximately +15.2% over Q2. In Europe, elevated energy costs and weaker growth expectations constrained relative performance, although returns remained positive (Euro Stoxx 50 broadly mid-single digit gains QTD). Emerging markets were more mixed. Korea was a notable outperformer, with the KOSPI rising over +64.0% in US$ over the three months to June, driven by semiconductor and AI-related earnings, albeit with significant volatility. China maintained a policy focus on industrial self-sufficiency, though weak domestic demand and property sector pressures limited equity momentum and the Hang Seng Index lost over 7% in US$ for the period.

Fund commentary

The Laurium Global Active Equity Fund lagged the strong returns posted by the benchmark MSCI ACWI Index over the three months to 30 June 2026. Within the portfolio, stock selection in telcos, media and technology added value, with Broadcom, TSMC, Samsung Electronics and Siemens AG among the main contributors as demand linked to semiconductors, digital infrastructure and industrial technology remained firm. Alphabet also contributed as large platform businesses continued to benefit from resilient advertising and AI optimism. Outside technology, Compass Group was the single largest contributor, helped by steady execution and defensive earnings characteristics. Quanta Services and GE Vernova supported returns from general industrials as power infrastructure and electrification themes remained well supported. In healthcare, Eli Lilly and UnitedHealth added positively. Banks also contributed positively at the sector level.

The main headwind to relative performance came from the portfolio's lighter exposure to surging areas of the benchmark captured by memory and semiconductor stocks. Oil and gas stocks Shell and Chevron also detracted slightly as energy companies did not benefit despite the quarter's geopolitical backdrop and volatility in oil expectations. EssilorLuxottica was the largest individual detractor with ongoing uncertainty surrounding the outlook for smartglasses and potential competition in that category weighed on the stock, as did a controversial battle for control of the holding company between heirs of the founder Leonardo Del Vecchio. This situation continues to linger but does not diminish the underlying value of the company and we retain our position. A basket of industrial and materials positions detracted as they retreated from previous gains.

Overall, the quarter showed that the fund's core stock picks in technology, food services, industrial infrastructure and selected healthcare businesses were constructive, but that was more than offset by underexposure to parts of the benchmark that rallied sharply and by weakness in energy shares and a specific healthcare share.

Outlook

Looking ahead, geopolitical tensions remain elevated and concerns persist around potential energy-driven inflation and tighter or more divergent global monetary policy. Valuations in AI-linked sectors have become increasingly stretched following strong performance, while broader market valuations remain closer to historical norms. As a result, the shorter-term outlook for the market is likely to be sensitive to continued earnings resilience—particularly in technology and AI infrastructure stocks.

The portfolio retains its well-diversified nature, with a blend of core long-term holdings benefiting from compounding growth mixed with some specific shares that are enjoying the tailwinds of the AI-infrastructure investment cycle. The fund is also increasingly exposed to emerging value in consumer and industrial cyclical shares that we expect to re-rate over time. While value remains in long-term themes such as AI enablement, grid and power investment, near-term relative returns are likely to remain influenced by whether market leadership remains very narrowly focused in parts of the semiconductor complex where the fund remains under-exposed.

Performance declaration for Laurium Global Active Equity Fund (Class LGAE1)	FUND	BENCHMARK
Annualised return since inception	+20.9%	+22.1%
Cumulative return since inception	+63.2%	+67.6%
1 Year	+15.8%	+23.7%
Highest rolling 1-year return (since inception)	+31.5%	
Lowest rolling 1-year return (since inception)	+11.9%	
Fund inception date	05 December 2023	