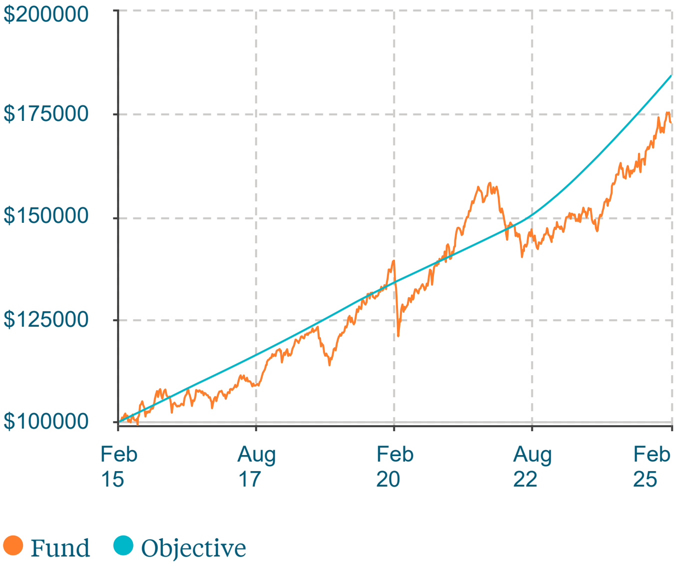
Atrium Evolution Series – Diversified Fund AEF 9

As at 28 February 2025

Growth of $100,000 over 10 years



Performance

	Fund	Objective
Since inception (% p.a.)	7.29%	6.68%
10 Years (%p.a.)	5.67%	6.32%
7 Years (%p.a.)	5.77%	6.35%
5 Years (%p.a.)	5.21%	6.58%
3 Years (%p.a.)	5.35%	
1 Year	8.38%	
6 Months	5.39%	
3 Months	0.80%	
1 Month	-1.40%	

Objective refers to the Return objective as stated in the Key Facts table.

Source: Atrium Investment Management, Bloomberg. Inception date is 24 June 2011. Past performance is not a reliable indicator of future performance. Future performance and return of capital are not guaranteed. Performance figures are based on input data available as at the date of this report. Performance is after fees and costs and assumes re-investment of all distributions. Return objectives are internal return objectives which are measures that Atrium considers internally when managing the portfolio. Internal return objectives are not performance benchmarks and are not features set out in the PDS. Note that the internal return objectives for AEF 7P Units and AEF 9P Units align to the performance return hurdles for these Units (as set out in the PDS for these performance-based fee products). Please refer to the Fund's Product Disclosure Statement (PDS) for more information on returns.

A rating is only one factor to be taken into account when deciding whether to invest.

Investment objective

To maximise returns while ensuring portfolio risk, or volatility, does not exceed 9% over a rolling three (3) year time period.

Investment strategy

The Fund has a Risk Targeted, multi asset investment strategy.

Atrium uses a dynamic, unconstrained approach to asset allocation providing flexibility to take full advantage of opportunities in the market and to mitigate downside risk.

The Fund may be invested in a broad universe of assets across multiple asset classes.

Atrium may also use derivatives to gain exposure to assets or asset classes more efficiently, for currency management, and to mitigate downside risk.

Key facts

Inception date	24 June 2011
Product code	COL0031AU
Investment strategy	Diversified - Risk Targeted
Volatility limit (p.a.)	9.00%
Return objective	RBA Cash + 4.5%
Investment horizon	5-7 years
Pricing	Weekly
Platform availability	Various

Volatility & Sharpe Ratio

	10 Years	7 Years	5 Years	3 Years
Volatility (% p.a.)	6.36	6.43	6.71	5.85
Sharpe Ratio	0.60	0.60	0.46	0.32

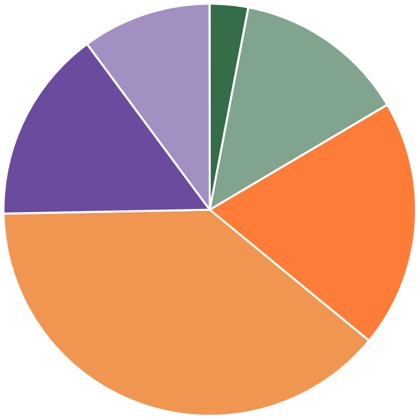
What is volatility?

Volatility measures the fluctuations, or changes, in the price of an asset or market index. Assets with higher volatility generally have greater price changes, both positive and negative, and so higher volatility is generally an indication of higher risk.

What is the Sharpe Ratio?

The Sharpe Ratio measures returns relative to the volatility, or risk, that was taken to achieve that return. The higher the ratio, the better the risk-adjusted performance has been - in other words, the investment risks taken have delivered better returns to the portfolio.

Asset allocation



●	Rates & credit	3.01%
●	Cash	13.49%
●	Australian equities	19.46%
●	International equities	38.73%
●	Liquid alternatives	15.18%
●	Private markets	10.12%

Source: Atrium Investment Management. Asset allocations may change at any time. May not include all open futures or derivatives positions. Cash may include allocations to shorter term rates and credit investments that may, at times, be subject to capital volatility. Figures are based on input data available as at the date of this report. Due to rounding, numbers might not add up to 100%.

Atrium aims to achieve its investment objectives by investing across a range of asset classes on a global basis that provide exposure to different risk factors.

Each asset is included in the Portfolio for its ability to contribute to returns on a stand alone basis.

The investment universe comprises of 3 broad categories - Preservers, Growth Drivers and Diversifiers.

Preservers

Assets that protect the portfolio during periods of heightened equity market volatility and preserve capital, such as cash, government bonds and high quality investment grade bonds.

Growth Drivers

Assets that are expected to deliver higher rates of return over time with higher levels of associated volatility (risk).
This predominantly comprises equities but also includes other assets that are highly correlated to equities such as listed property and infrastructure.

Diversifiers

Assets that generate additional real returns, with performance that is typically uncorrelated to the growth drivers and preservers within the portfolio.
Importantly, they are a source of portfolio diversification away from equity market and interest rate risks, such as liquid alternatives and private markets.

Top holdings

Holding	Weight	Asset Class
SFE S&P ASX 200 INDEX FUTURE EXP 20/03/2025	14.61%	Equities
CASH POSITION	13.49%	Cash
ANTIPODES GLOBAL FUND LONG UCITS CLASS S	8.74%	Equities
FAIRLIGHT GLOBAL SMALL AND MID CAP (SMID) FUND - FOUNDATION CLASS	7.46%	Equities
ISHARES MSCI USA EQUAL WEIGHTED ETF	6.73%	Equities
HYPERION GLOBAL GROWTH COMPANIES FUND CLASS C	6.42%	Equities
SGH ICE PROFESSIONAL INVESTOR FUND	4.86%	Equities
CROWN ATRIUM SEGREGATED PORTFOLIO SERIES 1 USD	3.59%	Liquid alternatives
VANGUARD FTSE EMERGING MARKETS ETF (US LISTED)	3.26%	Equities
KEYVIEW CREDIT OPPORTUNITIES FUND	2.72%	Private markets

Source: Atrium Investment Management. Asset allocations may change at any time. May not include all open futures or derivatives positions. Cash may include allocations to shorter term rates and credit investments that may, at times, be subject to capital volatility. Holdings are based on input data available as at the date of this report.

Market update

In February 2025, global share markets fell due to uncertainty surrounding US trade policy and tariff threats by the Trump Administration against Canada, Mexico, and China. Trump delayed tariffs on Canada and Mexico but imposed additional tariffs on Chinese imports, leading to retaliatory levies from China and raising the risk of a trade war. The Federal Reserve held its benchmark rate steady, with Chairman Jerome Powell indicating no hurry to adjust rates further. US inflation rose slightly, and the economy showed robust growth with significant job additions. The Bank of England cut its policy rate, citing rising inflation and lowering growth forecasts. The European Central Bank cut its deposit rate, signalling a potential pause in rate cuts, while the Bank of Japan maintained its rate after a recent hike due to rising inflation.

Geopolitical tensions increased as the US excluded European allies and Ukraine from talks with Russia, straining US-Ukraine relations. Major US tech stocks, including Tesla, Alphabet, and Amazon, saw declines, partly due to competition from a new Chinese AI model. Positive corporate updates from companies like Coca-Cola and Airbnb limited market declines. US indices, including the S&P 500, Dow Jones, and NASDAQ, fell, while stocks in China, Europe, and the UK rose. Sector-wise, consumer discretionary performed poorly, while consumer staples and energy saw gains.

In Australia, shares fell due to US trade policy uncertainty and a hawkish interest rate cut by the Reserve Bank of Australia (RBA). The RBA cut the cash rate to 4.10%, noting easing inflation but remaining cautious about the economic outlook. The Australian dollar declined modestly, influenced by trade war fears and the RBA's rate cut.

Looking ahead, the US economy is expected to achieve a 'soft landing,' though risks remain. Non-US equities are attractively valued, and fixed income assets offer reasonable value. The USD appears overvalued, while the AUD and JPY offer relative value.

Performance

The Fund fell over the month as US and Australian stocks declined. Liquid alternatives strategies were mostly lower giving back some of the strong prior month's gains. Rates and credit were positive contributors as US government bonds rallied on the back of global trade fears.

In global equities the rotation away from last year's winners in US tech and growth was evident with value manager Antipodes Global Fund – Long Only outperforming and Hyperion Global Growth Companies Fund underperforming. The allocation to US Equal Weight ETFs outperformed as the mega-cap US stocks faltered on concerns tariffs would hurt global growth.

The liquid alternatives sleeve had a negative month driven by trend following strategies including the Crown Diversified Macro Segregated Portfolio and One River Systematic Trend. There were positive returns in other sectors including insurance linked bonds and our AI focused hedge fund strategy, Creighton AI (CAI Global Market Neutral Fund).

In rates and credit, government bond futures added to returns, and the allocations to our higher yielding credit strategies, CQS Credit Multi Asset Fund and KKR Global Credit Opportunities Fund, both had strong months.

Portfolio changes

In Australian equities the Fund transitioned to a new model advised by Russell Investments late in the month. This brings diversification across return drivers in this sleeve, adding 3 new active strategies across broad market, small caps, and systematic Australian equities.

Outlook

The outlook for equities remains positive despite February's policy related volatility. The effect of lower interest rates is feeding through to improved sentiment and valuations outside of the US are fair. This is where we expect to see market leadership in the near-term and have positioned the portfolios accordingly.

For more information

If you have any questions, please contact your Financial Adviser or www.atriuminvest.com.au

Important Information: