

GLOBAL INDUSTRY ETF REVIEW

Eight Bays Investment Management

GLOBAL INDUSTRY ETF REVIEW

MAJOR SECTOR ETFS RANKED BY 6 MONTH RETURNS

Instrument	Symbol	Last traded	% 6M ▼	% 1Y total return	% 3Y total return	% 5Y total return
ETF VanEck Vectors Gold Miners ETF	GDJ:arcx	52.0500	53.47%	54.55%	98.13%	52.11%
ETF The Industrial Select Sector SPDR ETF	XLI:arcx	148.20	12.33%	22.78%	77.26%	131.79%
ETF The Communication Services Select Sector SPDR ETF	XLC:arcx	107.6000	11.31%	28.11%	106.08%	110.14%
ETF iShares MSCI ACWI ETF	ACWI:xnas	128.53	9.39%	16.42%	61.69%	90.05%
ETF The Financial Select Sector SPDR ETF	XLF:arcx	52.6800	8.96%	29.34%	75.54%	147.40%
ETF The Utilities Select Sector SPDR ETF	XLU:arcx	82.00	8.26%	23.31%	27.79%	68.82%
ETF The Materials Select Sector SPDR ETF	XLB:arcx	89.89	7.06%	1.39%	26.76%	72.02%
ETF Vanguard Information Technology ETF	VGT:arcx	656.80	5.57%	15.62%	107.40%	146.69%
ETF The Consumer Staples Select Sector SPDR ETF	XLP:arcx	81.9800	4.29%	8.44%	21.50%	57.23%
ETF Vanguard Real Estate ETF	VNQ:arcx	89.93	0.71%	10.34%	10.99%	37.07%
ETF The Energy Select Sector SPDR ETF	XLE:arcx	85.31	-0.23%	-3.93%	31.59%	174.02%
ETF Vanguard Health Care ETF	VHT:arcx	250.6400	-0.95%	-5.26%	10.28%	38.09%
ETF The Consumer Discretionary Select Sector SPDR ETF	XLY:arcx	218.6800	-2.71%	20.28%	62.39%	77.11%

Source: Saxo Capital

In the six months leading up to June 2025, only three sectors outperformed the MSCI ACWI: Van Eck Gold Miners ETF (GDJ) rose 53%, Industrials (XLI) gained 12%, and Communication Services (XLC) increased by 11%. Technology underperformed despite a June rebound, while Energy, Healthcare, and the broader Energy sector posted losses. Consumer ETFs suffered after the US announced global tariffs, though affected industries seem to be adjusting to this one-time impact. Equity volatility remained low overall, even amid Middle East tensions and uncertainties from new US tariff policies.

VIX - S&P VIX Index



Source: Seeking Alpha

In the past 6 months, the World ex US ETF (SPDW) returned 21%, outperforming the S&P 500 (SPY), which returned 6%. SPDW has experienced a cumulative underperformance of 17% over 3 years and 45% over 5 years.



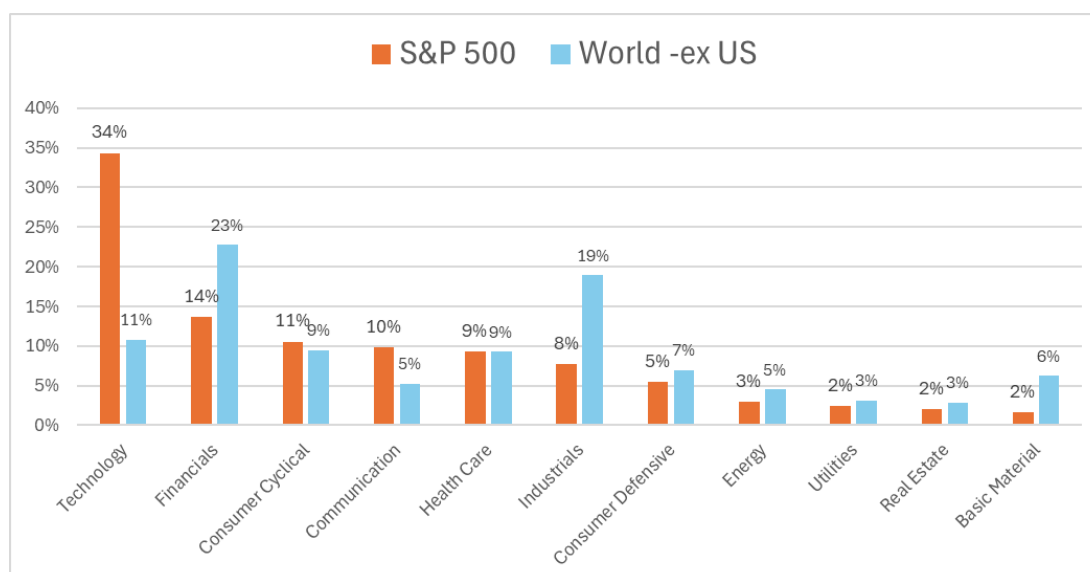
World ex US ETF (SPDW), S&P 500 (SPY) Total Returns Year-to-date (YTD)



Source: Seeking Alpha

The outperformance of global markets relative to the US can be attributed more to industry factors than to macroeconomic influences. The World ex US index is structured differently from the S&P 500 in terms of industry weightings. For example, financial stocks comprise approximately 23% of the World ex US index compared to 13% in the S&P 500, with industrials also playing a significant role. Over the past six months, easing interest rates in Europe and the ROW and increased fiscal stimulus—particularly targeting defence sectors—have benefited these industries in developed markets outside the US. Conversely, the US market maintains a significantly higher allocation to technology stocks (35%), which have underperformed the broader market in the last six months after strong gains in 2023 and 2024.

S&P 500 & World ex US Sector Weights



Source: VettaFi



INDUSTRY ETF MID-YEAR REVIEW

As of June 2025, the US industry ETF market was valued at \$1.3 trillion, comprising about 14% of all US Equity ETFs (\$9 trillion). Net inflows to US equity ETFs reached \$332 billion, with Vanguard S&P 500 ETF (VOO) gaining \$60 billion and SPDR S&P 500 ETF Trust (SPY) seeing \$22 billion in outflows. The average expense ratio was 0.63%. Over 320 new funds launched, totaling \$13 billion, with active strategies—generally having a higher average expense ratio of 0.79%—remaining prominent among new listings.

TOP 10 NEW ETF LISTINGS YTD 2024

ETF Name	Symbol	Style	Inception	Total Assets	ER
MicroSectors FANG+ 3 Leveraged ETNs	FNGU	Active	19/02/2025	\$ 1,955,550,000	2.60%
iShares MSCI World Small-Cap ETF	WSML	Passive	1/04/2025	\$ 503,390,000	0.30%
Longview Advantage ETF	EBI	Active	25/02/2025	\$ 502,743,000	0.25%
Brown Advisory Sustainable Growth ETF	BASG	Active	13/06/2025	\$ 483,139,000	0.61%
Castellan Targeted Equity ETF	CTEF	Active	18/06/2025	\$ 345,283,000	0.45%
Capital Group U.S. Small and Mid Cap ETF	CGMM	Active	14/01/2025	\$ 309,695,000	0.51%
VistaShares Target 15 Berkshire Select Income ETF	OMAH	Active	5/03/2025	\$ 308,478,000	0.95%
Bluemonte Dynamic Total Market ETF	BLUX	Active	23/06/2025	\$ 272,881,000	0.25%
YOKE Core ETF	YOKE	Active	21/02/2025	\$ 199,940,000	0.30%
Allspring Special Large Value ETF	ASLV	Active	26/03/2025	\$ 193,846,000	0.35%

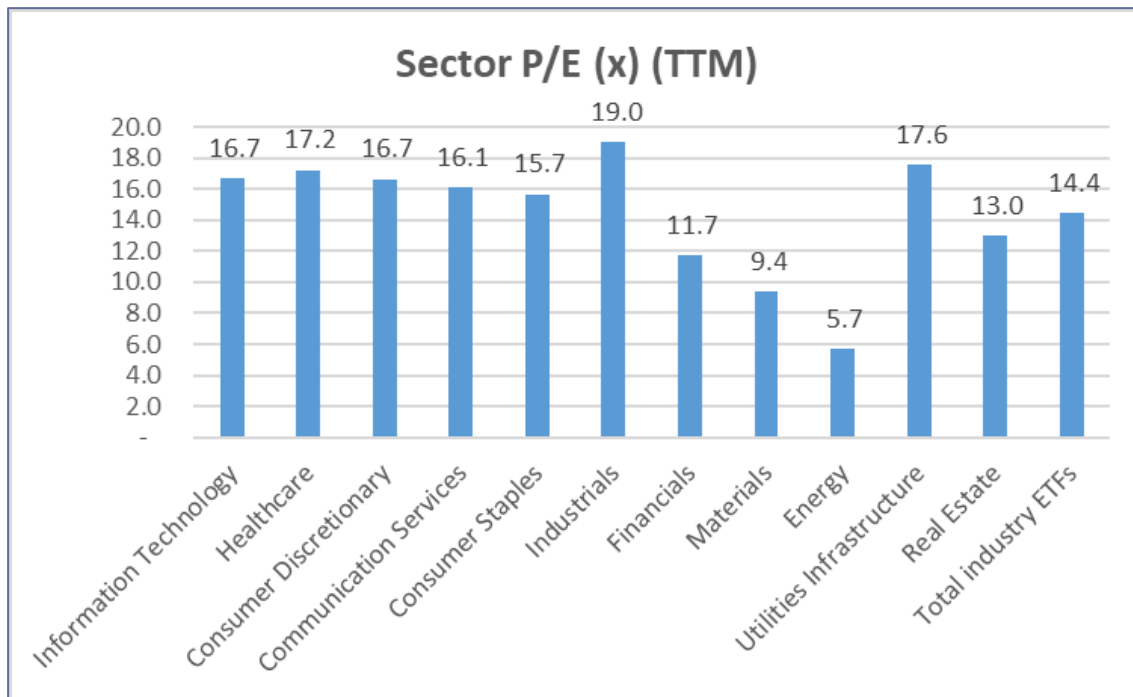
Source: VettaFi

There are over 380 industry ETFs, excluding leveraged and short strategies. Technology, valued at \$720bn, attracted \$15bn in six months and represents 54% of the sector with 60+ funds. Utilities saw the largest inflows relative to AUM (7%). Materials and Energy had the highest net outflows (-\$7bn each) and trade at 9x and 6x earnings, respectively.

KEY SECTOR DATA – JULY 2025

Sector	No. of ETFs	AUM (US\$mm)	Share of total	YTD Funds Flow (US\$mm)	Average change YTD	PE (x)	Yield	Average Beta	Funds Flow/MV	Expense Ratio
Information Technology	64	\$720,186	54%	\$ 15,023	10.1%	16.7	1.39%	1.30	2%	0.54%
Healthcare	39	\$80,156	6%	\$ (4,681)	-3.1%	17.2	2.89%	0.85	-6%	0.50%
Consumer Discretionary	20	\$37,833	3%	\$ (1,857)	7.5%	16.7	0.76%	1.27	-5%	0.47%
Communication Services	7	\$31,976	2%	\$ 2,058	11.7%	16.1	1.04%	1.01	6%	0.35%
Consumer Staples	12	\$27,878	2%	\$ 19	1.3%	14.3	1.95%	0.57	0%	0.57%
Industrials	40	\$82,244	6%	\$ 1,105	11.2%	19.0	0.71%	1.14	1%	0.53%
Financials	33	\$94,420	7%	\$ (2,025)	6.2%	11.7	2.04%	1.10	-2%	0.48%
Materials	42	\$59,862	4%	\$ (7,302)	17.7%	9.4	2.01%	1.10	-12%	0.51%
Energy	73	\$73,295	5%	\$ (6,859)	1.7%	6.0	2.55%	1.35	-9%	0.59%
Utilities Infrastructure	22	\$54,024	4%	\$ 3,608	11.3%	17.3	2.35%	0.74	7%	0.49%
Real Estate	30	\$74,363	6%	\$ 73	3.8%	13.0	3.55%	0.91	0%	0.39%
Total industry ETFs	382	\$1,336,238	100%	\$ (838)	7.2%	14.3	1.93%	1.03	0%	0.49%

Source: VettaFi, Eight Bays



Source: VettaFi etfdb.com

TECHNOLOGY – OVERWEIGHT

Top performers YTD

Symbol	ETF Name	Total Assets \$	Closing Price	YTD
SHLD	Global X Defense Tech ETF	\$ 2,845,490,000	\$ 59	58.2%
ARKW	ARK Next Generation Internet ETF	\$ 2,102,170,000	\$ 146	34.9%
BLOK	Amplify Transformational Data Sharing ETF	\$ 1,050,320,000	\$ 55	28.0%

Bottom Performers YTD

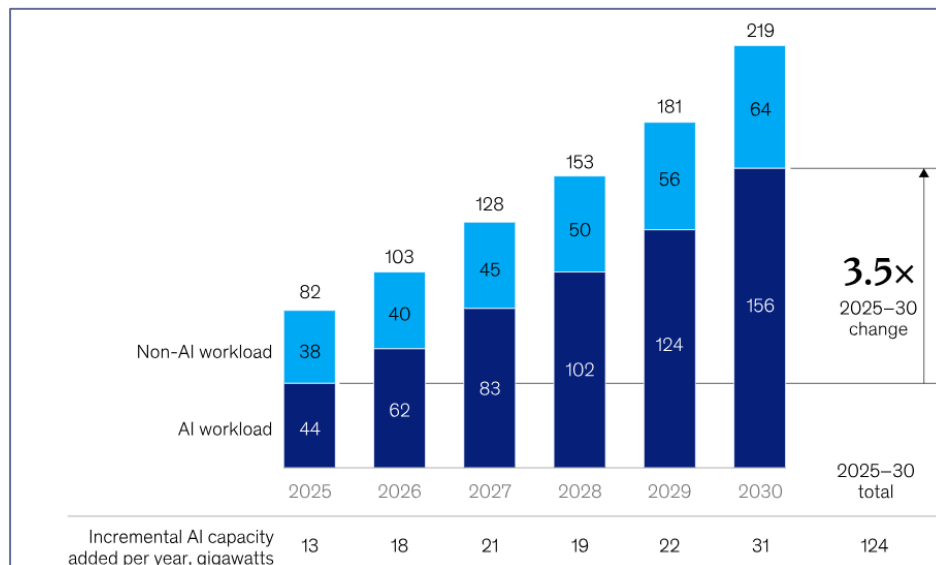
Symbol	ETF Name	Total Assets \$	Closing Price	YTD
PTF	Invesco Dorsey Wright Technology Momentum ETF	\$ 505,669,000	\$ 68	-6.4%
WCLD	WisdomTree Cloud Computing Fund	\$ 379,939,000	\$ 36	-4.9%
PSCT	Invesco S&P SmallCap Information Technology ETF	\$ 263,995,000	\$ 46	-3.6%

Source: etfdb.com

The technology sector covers industries like semiconductors, cloud services, AI and robotics, software, and cybersecurity. Defense technologies saw gains due to increased defense spending outside the US, especially in NATO countries. Cybersecurity stocks performed well amid higher IT investment and more nation-state cyber activity. However, semiconductor stocks underperformed during the period, despite a strong rebound earlier in the June quarter and rising capital expenditures on AI and smart data centers. We maintain our overweight positions in cloud services and semiconductor stocks.

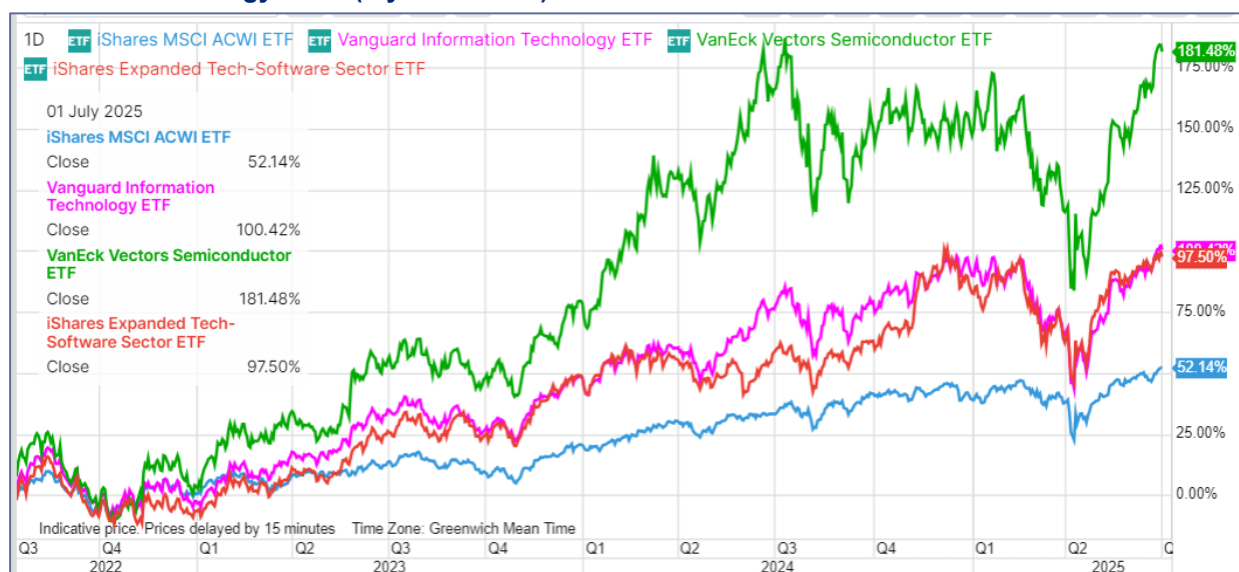


Estimated Global Data Centre Capacity Demand (Gigawatts)



Source: McKinsey & Co

Selected Technology ETFs (3-year returns)



Source: Saxo Group



HEALTHCARE - OVERWEIGHT

Top performers YTD

Symbol	ETF Name	Total Assets	Closing Price	YTD
KURE	KraneShares MSCI All China Health Care Index ETF	\$ 90,365,200	\$ 16.75	18.0%
XHS	SPDR S&P Health Care Services ETF	\$ 84,553,700	\$ 98.97	9.9%
AGNG	Global X Aging Population ETF	\$ 57,033,000	\$ 32.16	6.5%

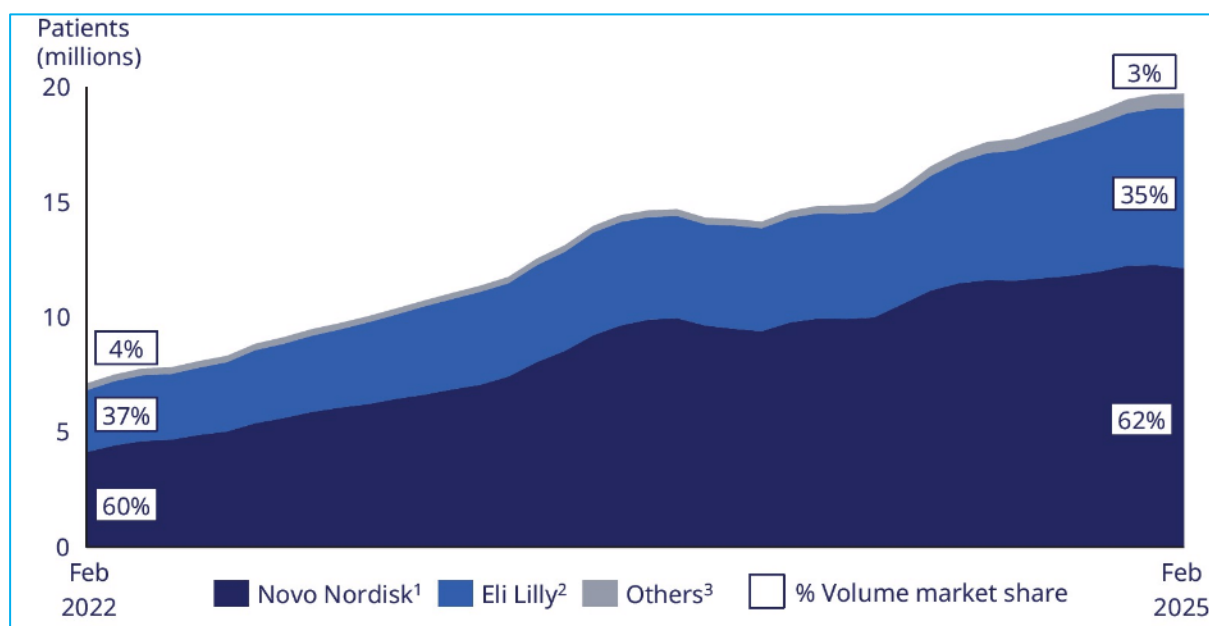
Bottom Performers YTD

Symbol	ETF Name	Total Assets	Closing Price	YTD
CNBS	Amplify Seymour Cannabis ETF	\$ 54,422,300	\$ 14.68	-40.3%
YOLO	AdvisorShares Pure Cannabis ETF	\$ 24,558,300	\$ 1.83	-24.6%
GNOM	Global X Genomics & Biotechnology ETF	\$ 44,429,100	\$ 8.40	-13.5%

Source: etfdb.com

The healthcare sector includes industries such as medical devices, pharmaceuticals, biotechnology, healthcare services, and genomics. Its recent underperformance is due to structural challenges, including US government spending reviews of Medicare and Medicaid because of budget deficits. Healthcare accounts for nearly a third of US government expenditure, at almost \$2 trillion. Branded drug prices face pressure from the rise of generics and biosimilars. Managed care plans like Medicare Advantage and Medicaid MCOs are incurring higher costs from increased service use, aging populations, more chronic conditions, and expensive new drugs like GLP-1s. Despite these challenges, we see opportunities in pharmaceuticals: the global anti-obesity drugs market is forecast to grow rapidly, and we maintain an overweight position in Eli Lilly. Additionally, generative AI is expected to accelerate drug development in the sector. From a valuation standpoint, the pharmaceutical sector is inexpensive, with major companies like Pfizer, Merck, and GlaxoSmithKline trading at single-digit PEs.

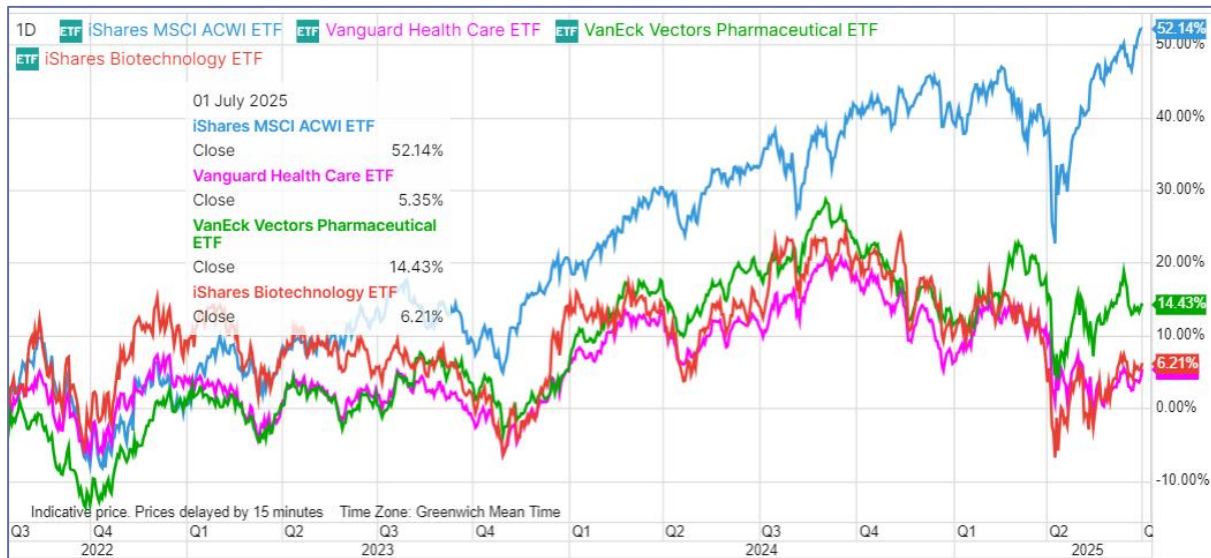
Patients using GLP-1 drugs by company market share



Source: National Institute of Health



Selected Healthcare ETFs (3-year returns)



Source: Saxo Group

FINANCIALS - UNDERWEIGHT

Top performers YTD

Symbol	ETF Name	Total Assets	Closing Price	YTD
EUFN	iShares MSCI Europe Financials ETF	\$ 3,954,590,000	\$ 32	38.8%
IAI	iShares U.S. Broker-Dealers & Securities E	\$ 1,378,890,000	\$ 169	17.9%
IXG	iShares Global Financials ETF	\$ 527,139,000	\$ 111	17.5%

Bottom Performers YTD

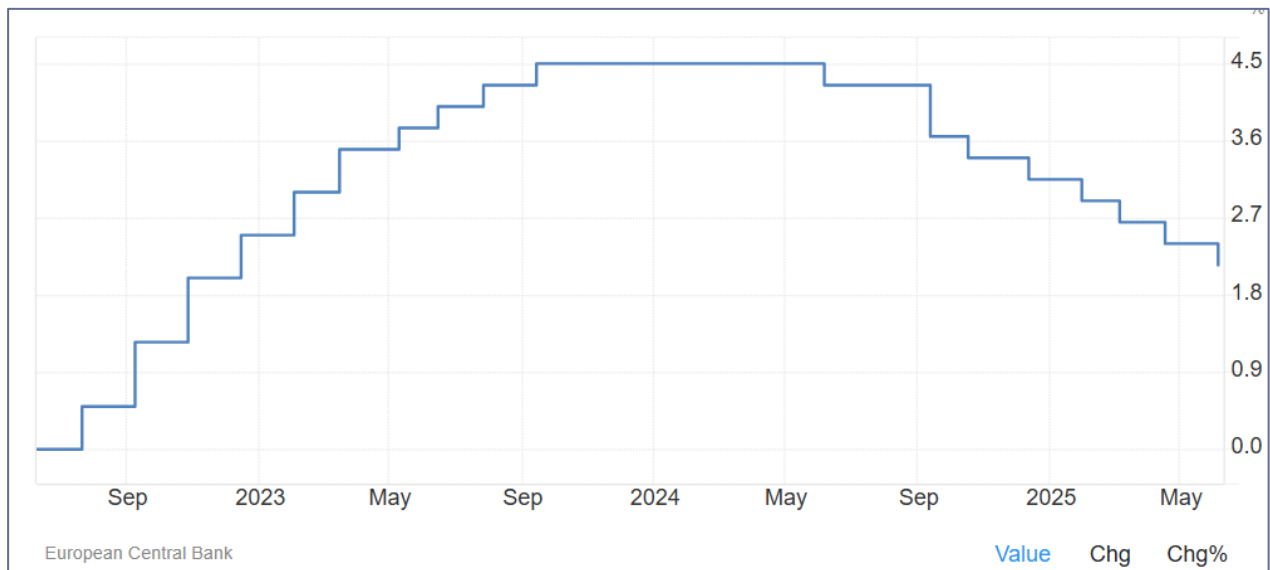
Symbol	ETF Name	Total Assets	Closing Price	YTD
ZIG	Acquirers Fund	\$ 35,193,300	\$ 37	-3.8%
BIZD	VanEck BDC Income ETF	\$ 1,601,940,000	\$ 16	-1.8%
PFI	Invesco Dorsey Wright Financial Momentum ETF	\$ 62,146,700	\$ 56	-1.0%

Source: etfdb.com

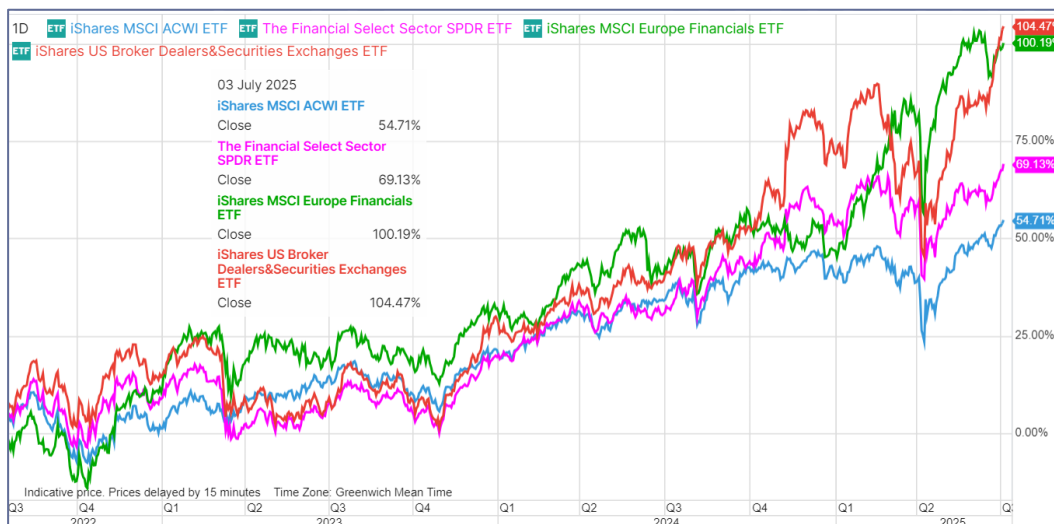
The financial sector covers banks, asset managers, credit cards, payment services, and insurance. European financial stocks have notably outperformed, with the iShares MSCI Europe Financial ETF up nearly 40%. This rally has been driven by the ECB cutting interest rates to 2.15% from a peak of 4.50% in September 2023, as well as anticipated fiscal spending on defense. Despite these gains, the Euro area continues to face chronic economic weakness with forecasts for 2025 growth ranging from 0.9% to 1.3%. Such forecasts have not yet accounted for the impact of additional spending on defense and related industries. We have held an overweight position in US financial stocks which have lagged the European sector but have delivered an impressive 30% return over 12 months and 9% for the 6 months. We expect this sector to benefit from anticipated banking deregulation measures by the new Republican administration.



Euro Area Interest Rate %



Selected Financial ETFs (3-year returns)



Source: Saxo Group



INDUSTRIALS - OVERWEIGHT

Top performers YTD

Symbol	ETF Name	Total Assets	Closing Price	YTD
SHLD	Global X Defense Tech ETF	\$ 2,973,170,000	\$ 59	57.7%
ITA	iShares U.S. Aerospace & Defense	\$ 8,267,290,000	\$ 185	27.6%
XAR	SPDR S&P Aerospace & Defense	\$ 3,603,610,000	\$ 206	24.4%

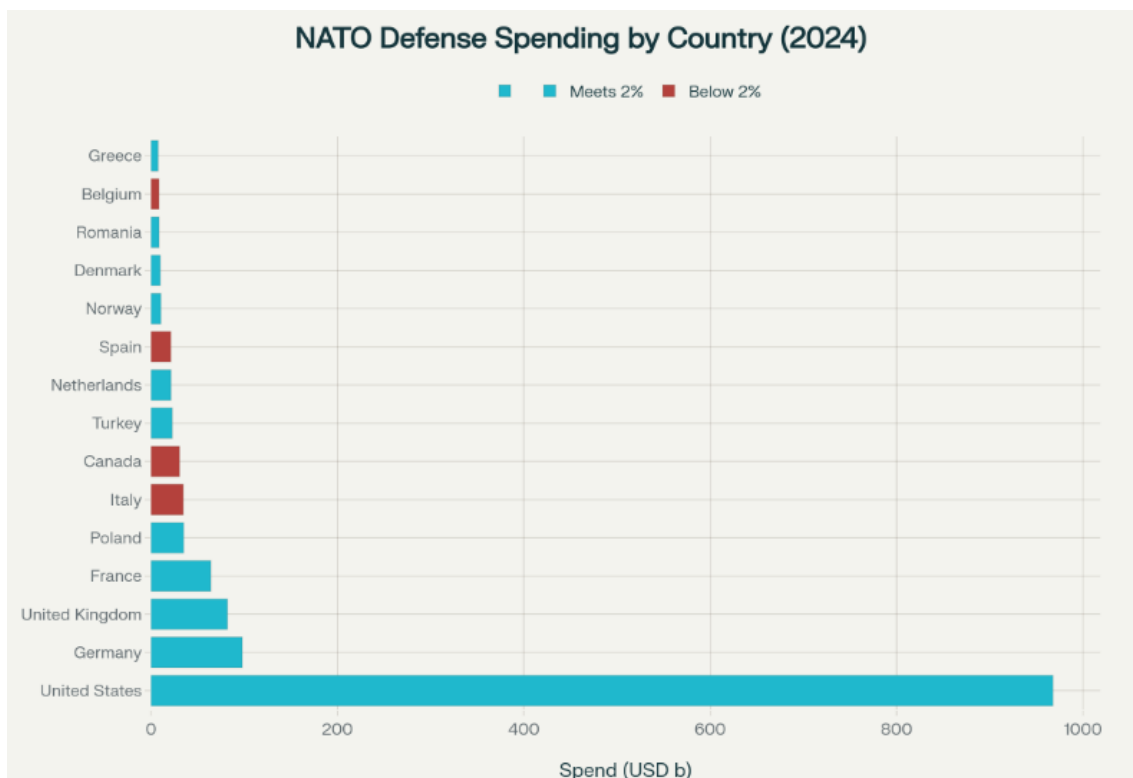
Bottom Performers YTD

Symbol	ETF Name	Total Assets	Closing Price	YTD
JETS	U.S. Global Jets ETF	\$ 818,958,000	\$ 23	-7.6%
FTXR	First Trust Nasdaq Transportation ETF	\$ 28,437,400	\$ 32	-5.1%
XTN	SPDR S&P Transportation ETF	\$ 171,570,000	\$ 83	-4.2%

Source: etfdb.com

This sector includes industries like aerospace, defense, transport, infrastructure, industrial products, water and environmental services, capital equipment, and robotics. The largest industrial ETF, XLI (\$22bn), gained 13%, while the more targeted GRID ETF rose 17%. GRID focuses on large-cap industrial firms leading changes in transport and energy infrastructure, such as ABB, Schneider Electric, Eaton Corporation, and Johnson Controls. Defense ETFs outperformed, driven by expected increases to NATO defense budgets. If all NATO countries meet a 5% target, annual military spending could rise by hundreds of billions, with estimates suggesting a jump from \$1.3 trillion in 2024 to \$4.2 trillion by 2035.

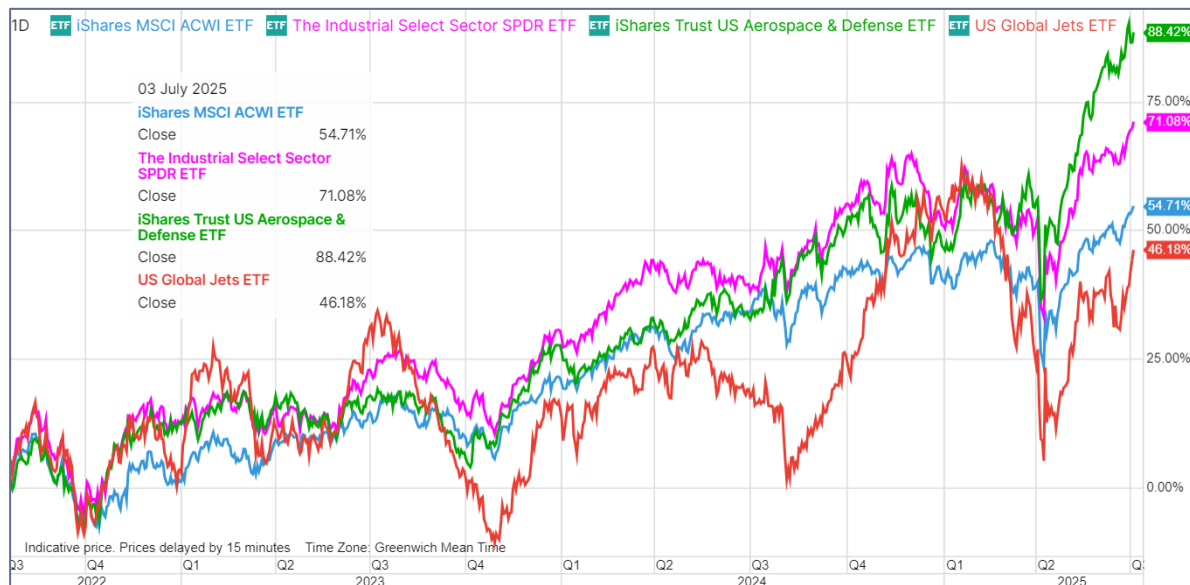
The US still dominates defence spending amongst NATO members



Source: NATO



Selected Industrial ETFs (3-year returns)



Source: Saxo Group

COMMUNICATION SERVICES - OVERWEIGHT

Top performers YTD

Symbol	ETF Name	Total Assets	Closing Price	YTD
IXP	iShares Global Comm Services ETF	\$ 538,499,000	\$ 112	15.9%
NXTG	First Trust Indxx NextG ETF	\$ 384,232,000	\$ 97	14.8%
IYZ	iShares U.S. Telecommunications ETF	\$ 477,931,000	\$ 30	12.0%

Bottom Performers YTD

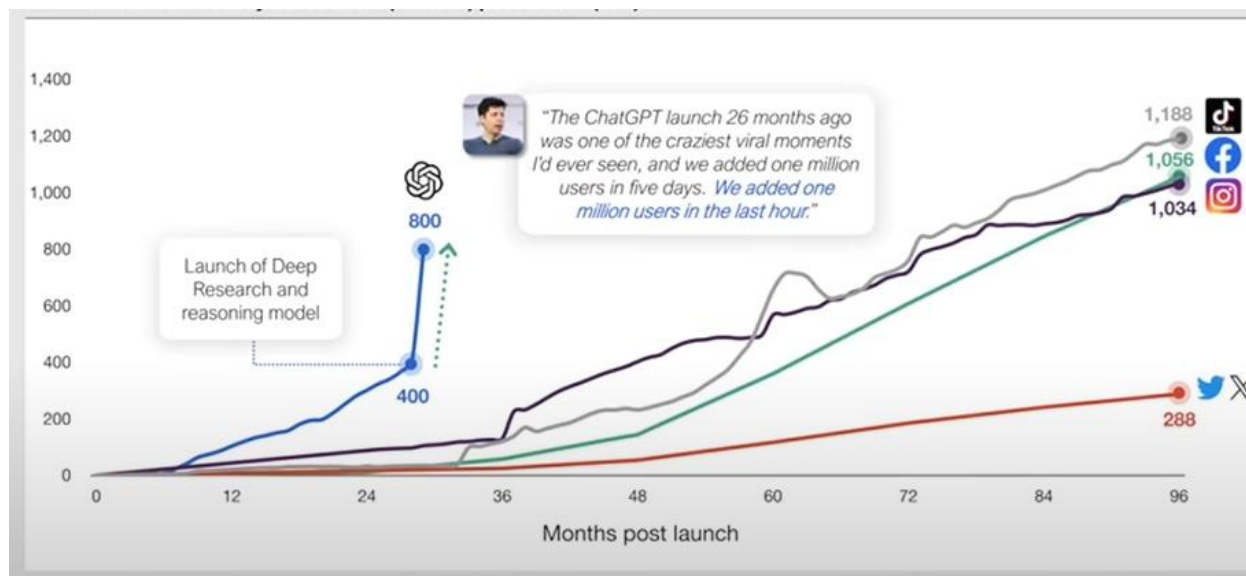
Symbol	ETF Name	Total Assets	Closing Price	YTD
VOX	Vanguard Communication Services ETF	\$ 5,321,270,000	\$ 170	10.0%
FCOM	Fidelity MSCI Communication Services Index	\$ 1,620,490,000	\$ 64	10.1%
XTL	SPDR S&P Telecom ETF	\$ 117,345,000	\$ 117	10.2%

Source: etfdb.com

Industries in this sector include telecommunications, social and traditional media, film/television, on-line gaming, cloud services and video streaming. The XLC (AUM \$24bn) is the largest ETF in this sector and includes companies such as Alphabet, Meta, Disney, T Mobile and Electronic Arts. With online media companies such as Meta and Alphabet embracing generative Ai services the capex demands have grown sharply. Meta and Alphabet are expected to outlay approximately \$70b and \$85bn respectively. Demand for generative Ai services appears to be growing exponentially. Google is increasingly integrating Large Language Model (LLM) capabilities into its search engine and its AI Overviews feature, powered by Gemini, is now used by 1.5 billion users. Of Meta's 3.3bn Daily Average Users (DAUS) an increasing portion are powered by generative Ai LLMs. ChatGPT.com, the largest LLM platform, is receiving approximately 5.19 billion visits per month.

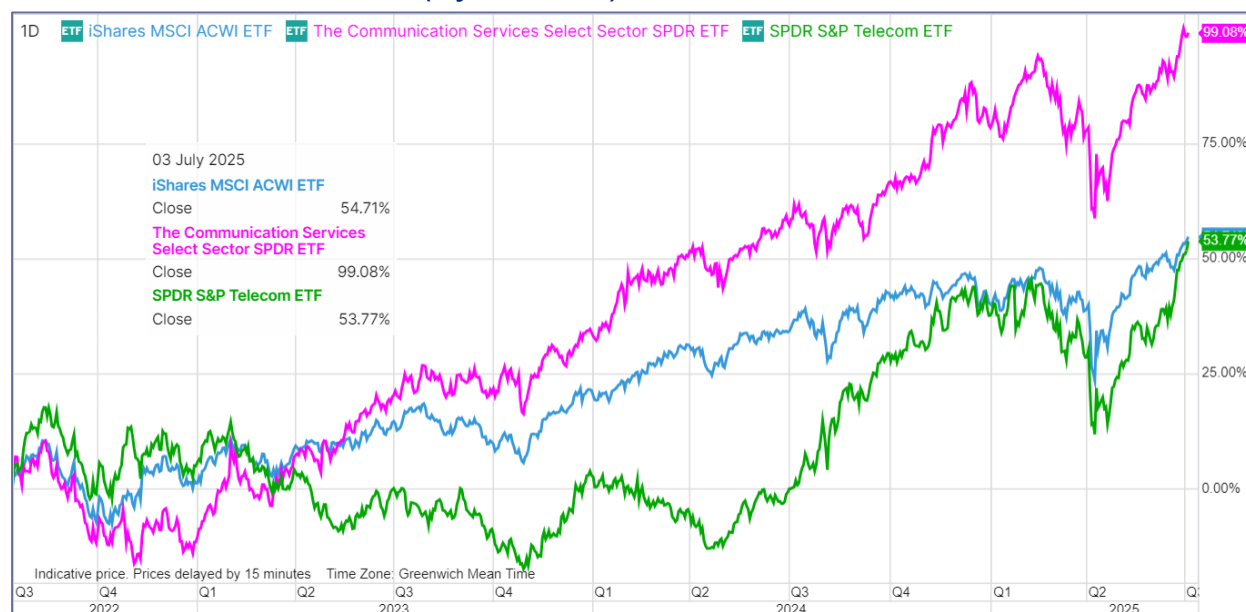


Active Users Uptake by App (months post launch)



Source: Statista

Selected Communications ETFs (3-year returns)



Source: Saxo Group



CONSUMER DISCRETIONARY – UNDERWEIGHT

Top performers YTD

Symbol	ETF Name	Total Assets	Previous Closing Price	YTD
HERO	Global X Video Games & Esports ETF	\$ 165,324,000	\$ 32	38.5%
ESPO	VanEck Video Gaming and eSports ETF	\$ 392,484,000	\$ 108	29.7%
GAMR	Amplify Video Game Leaders ETF	\$ 42,400,000	\$ 83	27.3%

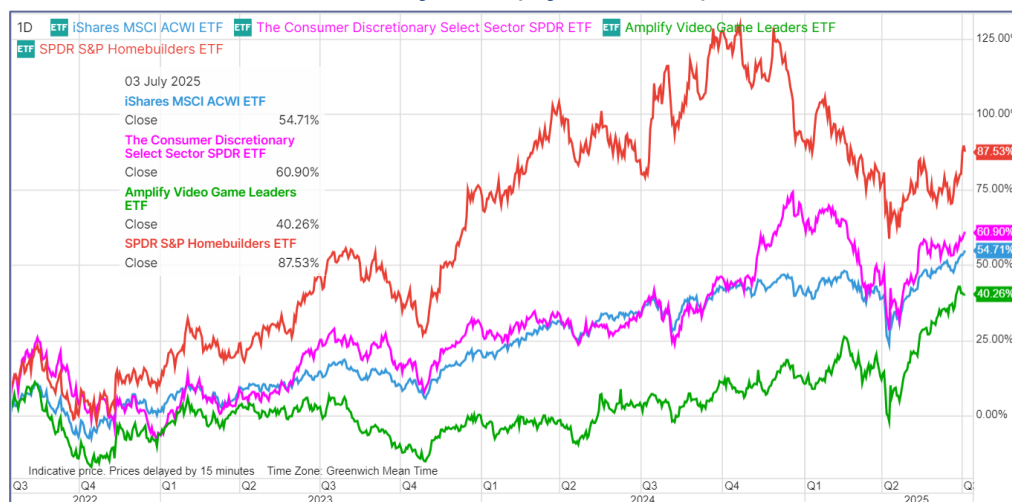
Bottom Performers YTD

Symbol	ETF Name	Total Assets	Previous Closing Price	YTD
ITB	iShares U.S. Home Construction ETF	\$ 2,169,800,000	\$ 97	-4.7%
VCR	Vanguard Consumer Discretionary ETF	\$ 6,052,340,000	\$ 364	-2.6%
FDIS	Fidelity MSCI Consumer Discretionary Index ETF	\$ 1,787,000,000	\$ 95	-2.6%

Source: etfdb.com

This sector includes apparel (Nike), retail (Amazon), automotive (Tesla, GM), home building and improvement (Home Depot), casinos, travel services, and online gaming. The largest consumer discretionary ETF is the Consumer Discretionary Select Sector SPDR Fund (XLY - \$24bn AUM); its shares declined by 2% during the period. Gaming ETFs showed strong performance, increasing approximately 30%. Retailers and consumer brands, excluding gaming, encountered challenges related to tariffs on countries exporting consumer products to the US. The portfolio maintains a position in Amazon, which operates globally in both e-commerce and cloud services—industries with limited representation among the analyzed ETFs. This holding aligns with the current assessment of these sectors.

Selected Consumer Discretionary ETFs (3-year returns)



Source: Saxo Group



CONSUMER STAPLES - UNDERWEIGHT

Top performers YTD

Symbol	ETF Name	Total Assets	Closing Price	YTD
ECON	Columbia Research Enhanced Emerging Economie	\$ 88,726,000	\$ 24	15.6%
EATZ	AdvisorShares Restaurant ETF	\$ 3,656,400	\$ 31	11.2%
KXI	iShares Global Consumer Staples ETF	\$ 856,596,000	\$ 66	10.5%

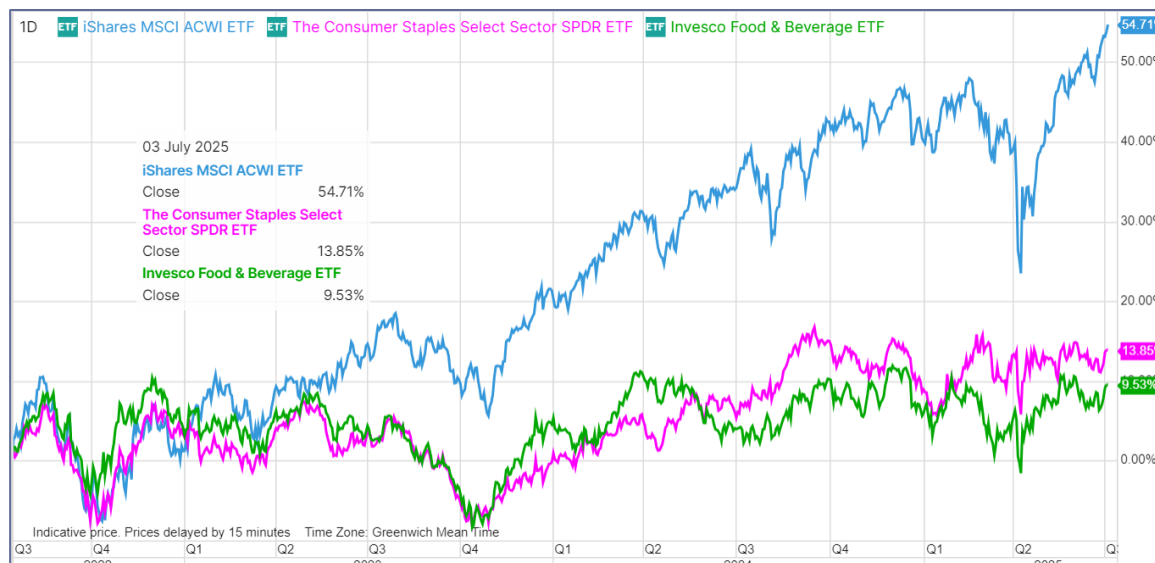
Bottom Performers YTD

Symbol	ETF Name	Total Assets	Closing Price	YTD
PSCC	Invesco S&P SmallCap Consumer Staples ETF	\$ 39,859,200	\$ 34	-9.2%
WBIL	WBI BullBear Quality 3000 ETF	\$ 33,414,200	\$ 32	-7.7%
FTXG	First Trust Nasdaq Food & Beverage ETF	\$ 28,814,500	\$ 23	-0.6%

Source: etfdb.com

The Consumer Staples sector includes food, beverages (Coca-Cola, Pepsi), consumer goods (P&G, Nestle) and grocery retailers (Walmart, Costco). The largest ETF is the Consumer Staples Select Sector SPDR Fund (XLP \$16bn AUM) appreciated 6% YTD, lagging the benchmark. Inflation/cost of living factors are causing consumers to shift their buying patterns to lower value home brands and reported sales growth figures across the major staple companies P&G, Coca-Cola, Nestle and Unilever have scarcely exceeded inflation.

SPDR Consumer Staples ETF (3-year returns)



Source: Saxo Group



MATERIALS - UNDERWEIGHT

Top performers YTD

Symbol	ETF Name	Total Assets	Closing Price	YTD
SGDM	Sprott Gold Miners ETF	\$ 409,686,000	\$ 45	62.4%
GDXJ	VanEck Junior Gold Miners ETF	\$ 5,494,510,000	\$ 68	58.1%
RING	iShares MSCI Global Gold Miners ETF	\$ 1,437,740,000	\$ 44	56.6%

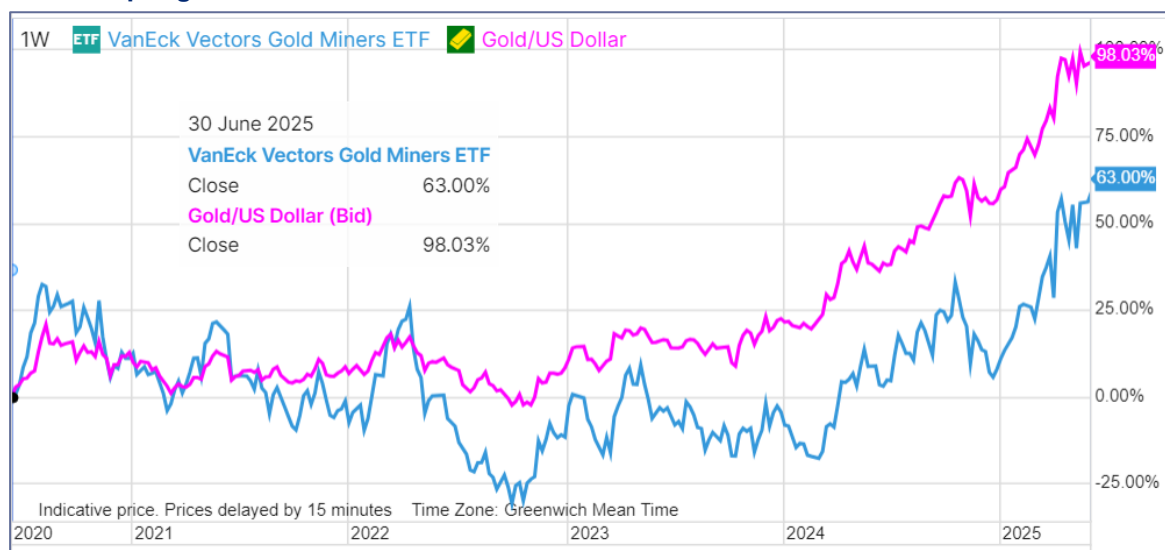
Bottom Performers YTD

Symbol	ETF Name	Total Assets	Closing Price	YTD
LITP	Sprott Lithium Miners ETF	\$ 13,645,100	\$ 6	-13.5%
ILIT	iShares Lithium Miners and Producers ETF	\$ 3,523,090	\$ 8	-10.9%
LIT	Global X Lithium & Battery Tech ETF	\$ 832,260,000	\$ 38	-5.5%

Source: etfdb.com

This highly diverse set of mostly extractive industries includes precious metals, base metals, steel, timber and agriculture. GDX (Van Eck Vectors Gold Miners), the largest ETF in this sector (\$15bn) rose 54% YTD eclipsing the 27% rally in gold. The gold price has outperformed the GDX over a longer time horizon though. The broad materials ETF, the XLB rose 8%. Copper Mining ETF COPX rose 20% whilst depressed lithium prices (-70% Y/Y) hit the battery materials-based stocks.

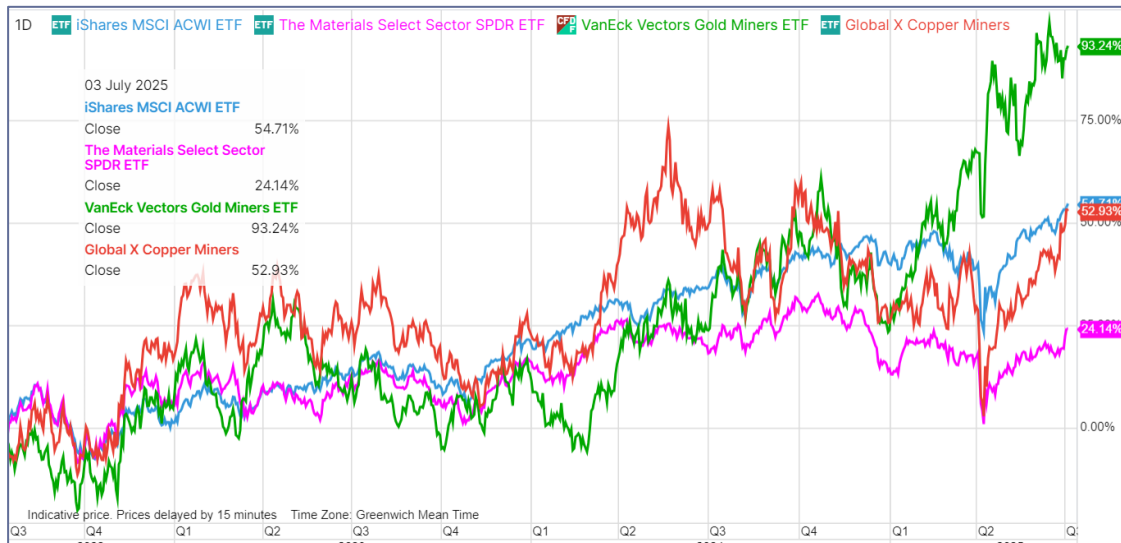
GDX vs Spot gold since Jan 2020



Source: Saxo Group



Selected Materials ETFs (3-year returns)



Source: Saxo Group

ENERGY - OVERWEIGHT

Top performers YTD

Symbol	ETF Name	Total Assets	Closing Price	YTD
NLR	VanEck Uranium and Nuclear ETF	\$ 1,702,780,000	\$ 108	32.3%
FAN	First Trust Global Wind Energy ETF	\$ 174,655,000	\$ 18	24.4%
CRAK	VanEck Oil Refiners ETF	\$ 26,206,600	\$ 33	21.4%

Bottom Performers YTD

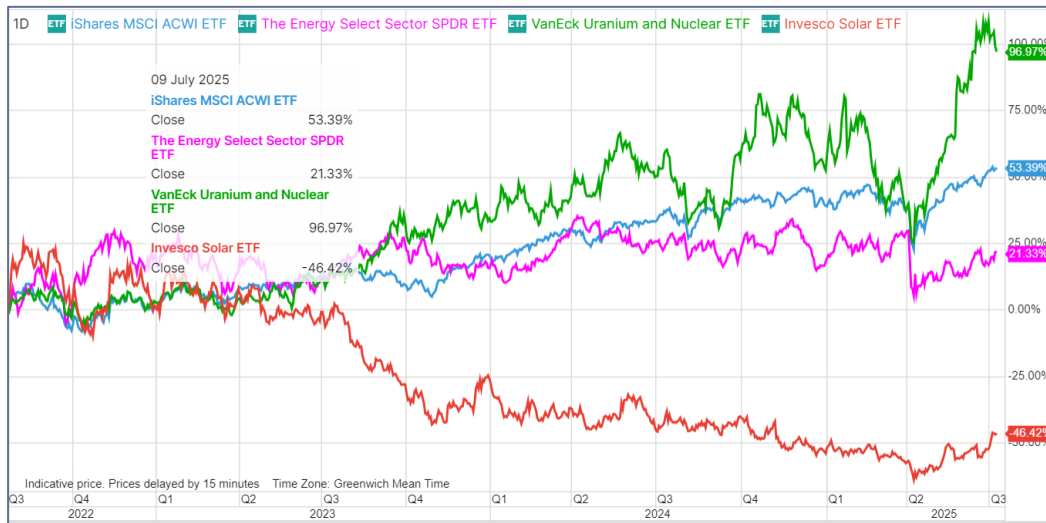
Symbol	ETF Name	Total Assets	Closing Price	YTD
PSCE	Invesco S&P SmallCap Energy ETF	\$ 58,361,600	\$ 39	-17.8%
XES	SPDR S&P Oil & Gas Equipment & Services ETF	\$ 143,578,000	\$ 65	-16.5%
OIH	VanEck Oil Services ETF	\$ 932,742,000	\$ 237	-12.6%

Source: etfdb.com

This sector includes oil & gas, coal, and clean energy. The largest ETF, the XLE ETF (SPDR Energy ETF - \$27bn), is up 1% YTD, outperforming Brent Crude prices, which fell 6% to \$70/bbl. Uranium ETFs like Van Eck NLR rose 32%, supported by pro-nuclear policies and financial backing from major tech firms for nuclear power projects. Alternative energy ETFs underperformed due to potentially reduced US government support. Our energy sector exposure is through Global X MLP & Energy Infrastructure ETF (MLPX), which invests in North American oil and gas infrastructure companies such as gas pipelines and LNG processing facilities.



Selected Energy ETFs (3-year returns)



Source: Saxo Group

UTILITIES & INFRASTRUCTURE - UNDERWEIGHT

Top performers YTD

Symbol	ETF Name	Total Assets	Closing Price	YTD
INFR	ClearBridge Sustainable Infrastructure ETF	\$ 12,019,500	\$ 27	21.3%
UTES	Virtus Reaves Utilities ETF	\$ 566,693,000	\$ 75	18.0%
JXI	iShares Global Utilities ETF	\$ 187,766,000	\$ 74	17.4%

Bottom Performers YTD

Symbol	ETF Name	Total Assets	Closing Price	YTD
PSCU	Invesco S&P SmallCap Utilities & Communication Services E	\$ 13,901,300	\$ 56	-4.5%
PUI	Invesco Dorsey Wright Utilities Momentum ETF	\$ 69,489,300	\$ 41	8.5%
IFRA	iShares U.S. Infrastructure ETF	\$ 2,645,820,000	\$ 50	8.6%

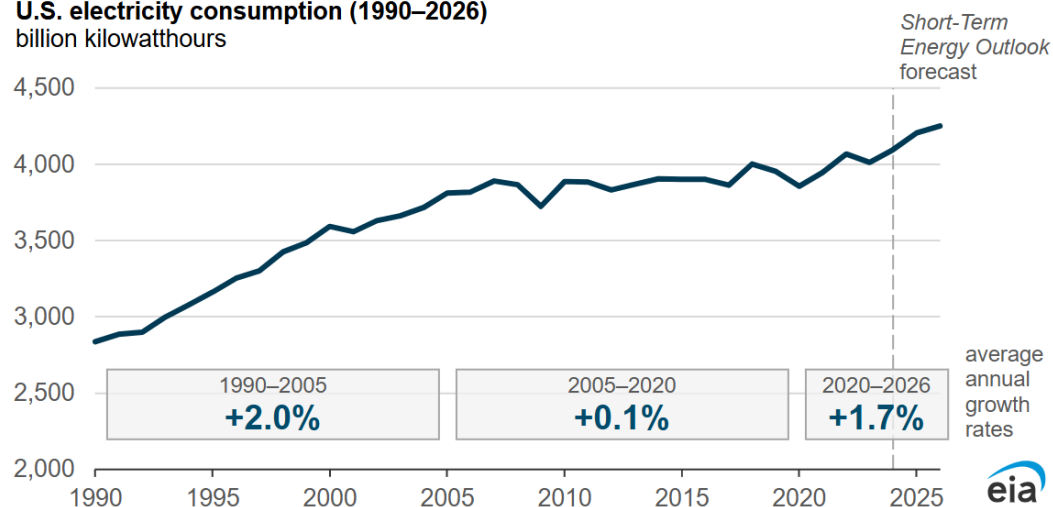
Source: etfdb.com

This sector includes regulated utilities, toll roads, pipelines, and energy infrastructure. The largest ETFs are Utilities Select Sector SPDR Fund (XLU, \$19B) and Global X US Infrastructure Development ETF (PAVE, \$9B). Anticipated growth in electricity demand from AI data centers may boost utility investment and dividends for the first time in decades; we retain some exposure via GRID. Sector performance generally moves opposite to long-term bond prices. The US 10-year yield is at 4.37%, while XLU's dividend yield is 2.8%.



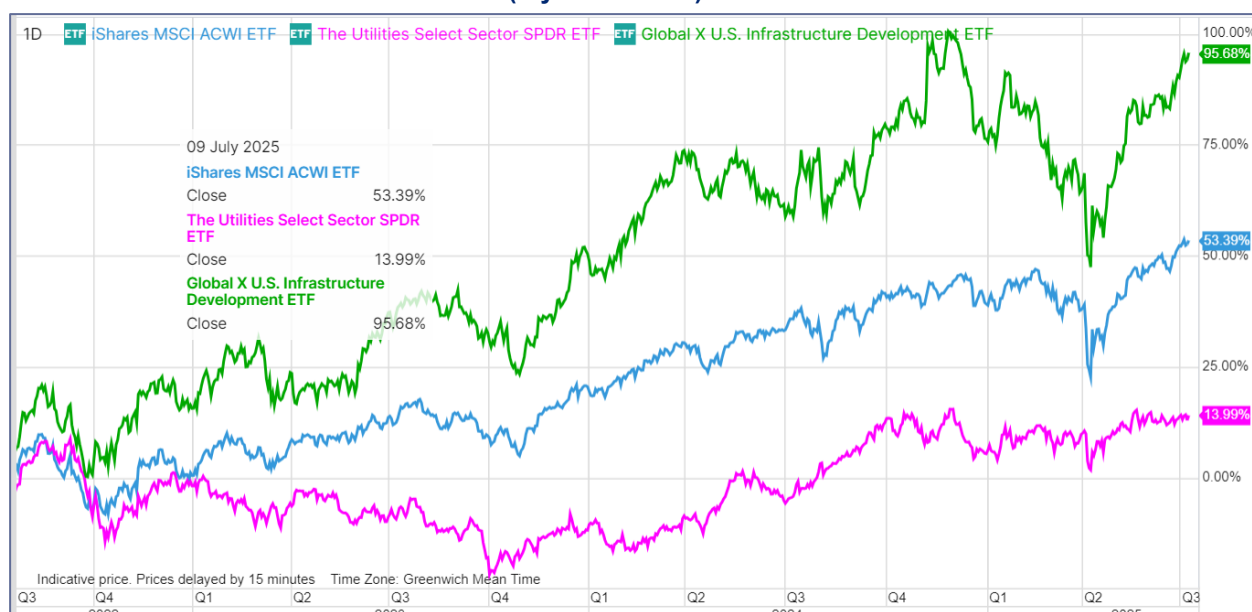
After more than a decade of little change, U.S. electricity consumption is rising again

U.S. electricity consumption (1990–2026) billion kilowatthours



Data source: U.S. Energy Information Administration, *Monthly Energy Review* and *Short-Term Energy Outlook*, May 2025
Data values: *Electricity Overview* (history) and *U.S. Electricity Industry Overview* (forecast)

Selected Utilities & Infrastructure ETFs (3-year returns)



Source: Saxo Group



REAL ESTATE INVESTMENT TRUSTS (REITS) - UNDERWEIGHT

Top performers YTD

Symbol	ETF Name	Total Assets	Closing Price	YTD
RWX	SPDR Dow Jones International Real Estate ETF	\$ 410,862,000	\$ 27.49	21.5%
IFGL	iShares International Developed Real Estate ETF	\$ 93,255,700	\$ 22.79	20.1%
HAUZ	DBX ETF Trust - Xtrackers International Real Estate ETF	\$ 853,472,000	\$ 23.02	18.7%

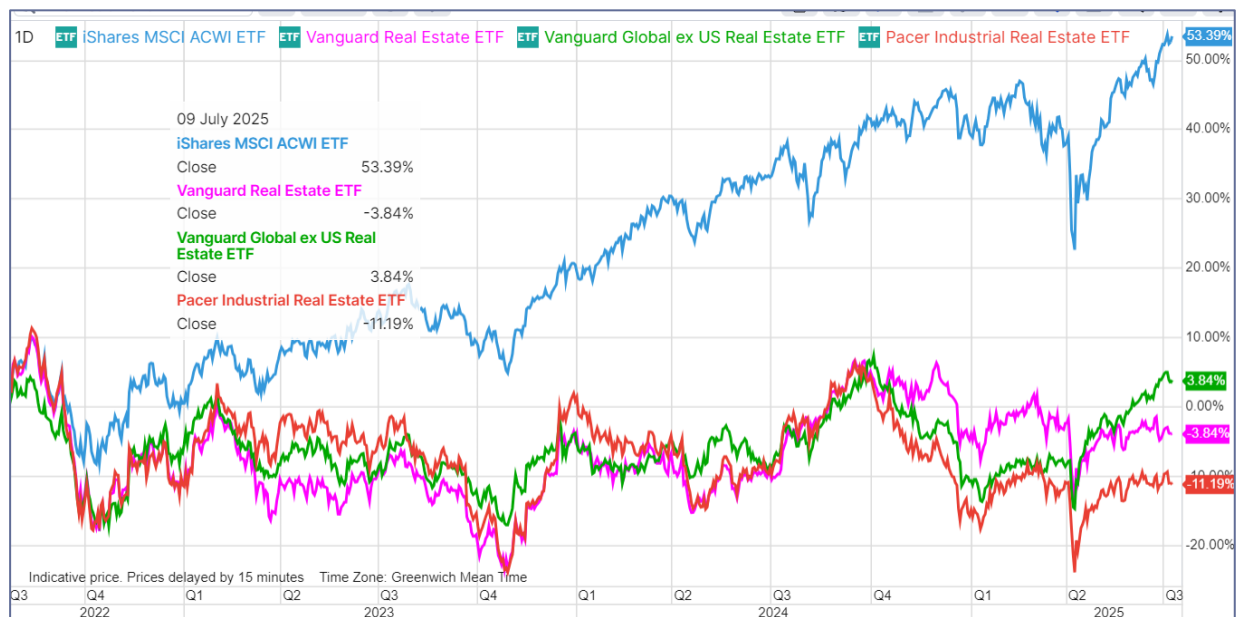
Bottom Performers YTD

Symbol	ETF Name	Total Assets	Closing Price	YTD
KBWY	Invesco KBW Premium Yield Equity REIT ETF	\$ 229,316,000	\$ 16.07	-6.1%
PPTY	US Diversified Real Estate ETF	\$ 39,793,000	\$ 30.68	-3.6%
REIT	ALPS Active REIT ETF	\$ 44,203,300	\$ 26.51	-1.3%

Source: etfdb.com

Vanguard Real Estate ETF (VNQ) leads the sector with \$33bn in assets and is up 3% YTD. Ex-US REITs saw gains as European central bank rate cuts offered some support. The average sector yield (3.6%) trails the US 10-year bond (4.37%). Over three years, REITs lagged the MSCI, and we currently have no REIT holdings.

Selected REIT ETFs (3-year returns)



Source: Saxo Group



EIGHT BAYS GLOBAL ETF STRATEGY - PORTFOLIO REVIEW

Portfolio developments

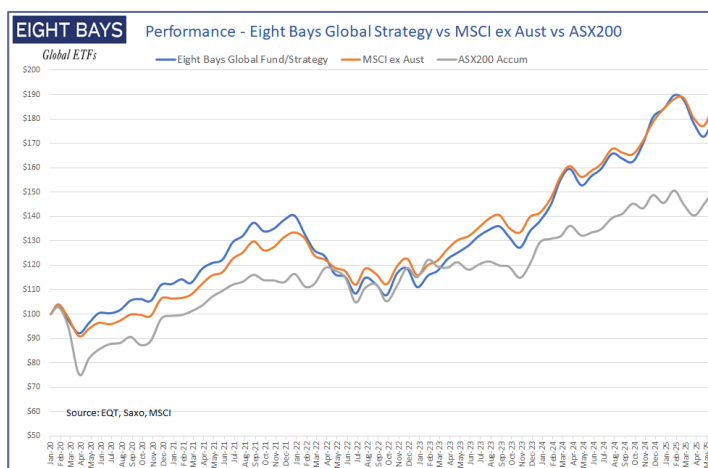
New positions

- **Uber Technologies Inc (1.6%):** UBER has significant growth potential in its two primary markets: ride-hailing and delivery. In the ride-hailing sector, Uber holds leading positions in most jurisdictions. The ride-hailing market continues to expand and is valued at approximately \$130 billion. The meal and grocery delivery market represents a much larger segment, estimated at roughly \$570 billion, with growth rates in the mid-teens. In recent years, the ride/delivery share industry has undergone consolidation and globalization, positioning Uber as the premier global brand with a substantial member base.
- **Nvidia (4.6%):** NVDA leads the world in accelerated computing with its advanced GPUs that power AI factories/data centers and a wide range of industries. The CUDA platform, used by over 5 million developers and 40,000 companies—including many working with generative AI—runs on NVIDIA hardware. Beyond data centers, NVDA GPUs are also found in PCs, robotics, automobiles, and gaming devices.

Sector weightings

- **Pharmaceuticals 5% to 12%:** Pharmaceutical stocks currently offer value after declines linked to concerns about US drug reimbursement policies. Despite this, positive industry trends include new blockbuster drugs—like GLP-1 treatments for diabetes, obesity, heart disease, and Alzheimer's—which are expected to drive growth. Additionally, AI-driven drug development may speed up commercialization of new therapies.
- **Broad healthcare 10% to 0%:** Proceeds invested into the pharmaceutical sector,

PORTFOLIO PERFORMANCE



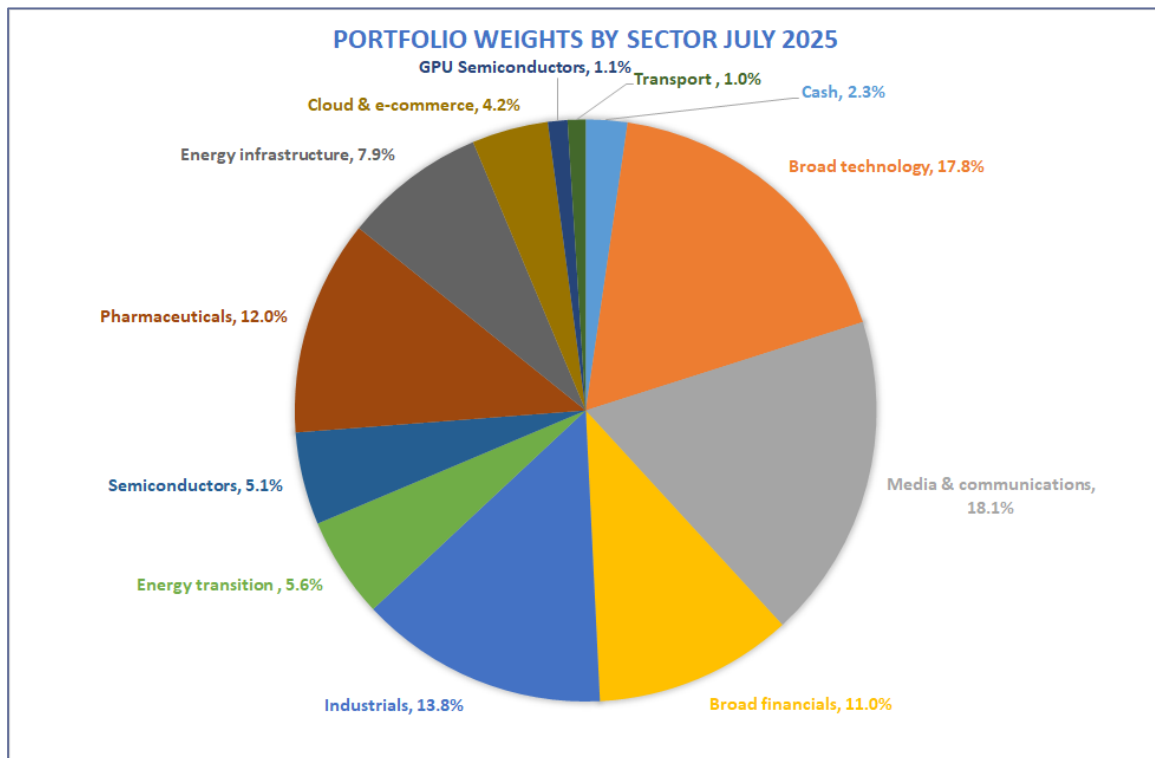
	EQ Eight Bays Fund/Strategy	Benchmark MSCI ex-Aust	Alpha (annual)
30-Jun-25			
36 months (pa)	20.26%	19.43%	0.83%
24 months (pa)	19.58%	18.71%	0.86%
12 months rolling	18.25%	18.05%	0.21%
3 months rolling	6.04%	5.84%	0.20%
1 month	3.96%	2.15%	1.81%

Source: EQT, MSCI, Saxo

Note: Performance data includes combined returns of Eight Bays Global Strategy and the EQT Global Fund
Past performance should not be taken as an indicator of future performance.



SECTOR WEIGHTS (JULY 2025)



Source: Eight Bays

TOP 20 STOCK HOLDINGS – INDIVIDUAL LOOK THROUGH STOCK EXPOSURE

Stocks	Portfolio weight
NVIDIA Corporation	4.7%
Amazon.com, Inc.	4.3%
Meta Platforms Inc Class A	3.3%
Microsoft Corporation	2.7%
Apple Inc.	2.5%
Eli Lilly and Company	2.2%
Alphabet Inc. Class A	1.7%
Uber Technologies, Inc.	1.6%
Netflix, Inc.	1.5%
Broadcom Inc.	1.4%
Alphabet Inc. Class C	1.4%
Berkshire Hathaway Inc. Class B	1.4%
Johnson & Johnson	1.2%
JPMorgan Chase & Co.	1.2%
Novartis AG Sponsored ADR	0.9%
Visa Inc. Class A	0.9%
Novo Nordisk A/S Sponsored ADR Class B	0.9%
Eaton Corp. Plc	0.9%
Electronic Arts Inc.	0.8%
T-Mobile US, Inc.	0.8%
Charter Communications, Inc. Class A	0.8%

Source: Eight Bays (July 2025)



THE STRATEGY

The Eight Bays Global Equity Fund is a US dollar denominated portfolio of Exchange Traded Funds (ETFs) and stocks designed to complement domestic equity portfolios by investing in global growth industries and equities not well represented on the ASX. The portfolio comprises securities that are listed on major US exchanges. The strategy has an investment bias towards growth industries with attractive structural characteristics. The portfolio can hold between 5 and 20 ETFs/stocks. The fund can hold a maximum cash weighting of 20%, but typically has a greater than 95% equity exposure.

INVESTMENT PHILOSOPHY

We believe that industry factors are the primary drivers of long-term shareholder value. Industry growth rates, consolidation, fragmentation, regulation, social & political change, macroeconomic trends are all major drivers of industry and equity returns. Our investment process is based on understanding these industry dynamics and identifying those securities that will benefit from such dynamics. Importantly, we believe investing primarily in industry ETFs provides an efficient way to deliver above-average equity returns.

PORTFOLIO GUIDELINES

Benchmark:	MSCI World Index (AWCI)
Universe:	US Equity ETF Market
Number of securities:	5 to 20
Security weights:	Min 1% Max 20%
Portfolio Turnover:	~30%
Cash holdings:	Up to 20%
Hedged:	No. US Dollar product
Investment objective:	2-3% pa > MSCI World

Learn more about the EQT Eight Bays Global Fund at [Equity Trustees](#) or [Eight Bays](#).

How to invest: <https://www.eqt.com.au/our-services/corporate/Managed-Fund>

DISCLAIMER:

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You should obtain a copy of the Product Disclosure Statement before making a decision about whether to invest in this product. The Fund's Target Market Determination is available here <https://www.eqt.com.au>. A Target Market Determination is a document which 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.