

# EQT EIGHT BAYS GLOBAL FUND – CLASS B

## FUND OBJECTIVE

The EQT Eight Bays Global Fund - Class B (The Fund) investment objective is to deliver gross performance (less fees) above the benchmark over rolling 3-year periods.

The Fund is designed to give investors exposure to global growth industries and world leading companies, primarily through a portfolio of US Exchange Traded Funds (ETFs).

## FUND PERFORMANCE

Over the June quarter the Fund produced a total net return of 5.41% underperforming the benchmark by 0.43%. Over the last 12 months the Fund has delivered a total net return of 17.55% underperforming the benchmark by 0.50%.

Over the last 3 years the Fund has delivered a very strong total net return of 20.01% pa outperforming the benchmark by 0.58%. Since inception (1/7/21) the Fund has delivered a total net return of 9.72% per annum.

PERFORMANCE <sup>1</sup>	3 MONTHS	6 MONTHS	1 YEAR	3 YEARS (P.A.)	SINCE INCEPTION (P.A.) <sup>2</sup>
Income return <sup>1</sup>	1.07%	1.03%	1.19%	0.41%	0.28%
Capital return	4.34%	0.85%	16.36%	19.61%	9.44%
Total net return	5.41%	1.89%	17.55%	20.01%	9.72%
Benchmark return <sup>3</sup>	5.84%	3.53%	18.05%	19.43%	11.50%
Active return	-0.43%	-1.64%	-0.50%	0.58%	-1.78%

Table 1

<sup>1</sup> Performance: Income and total net returns are fund returns after the deduction of ongoing fees and expenses and assumes the reinvestment of all distributions. Results greater than one year are annualised.

<sup>2</sup> Inception date is 1 July 2021.

<sup>3</sup> Benchmark return is the MSCI ACWI ex Australia net return Index (AUD).

Past performance is not an indicator of future performance.

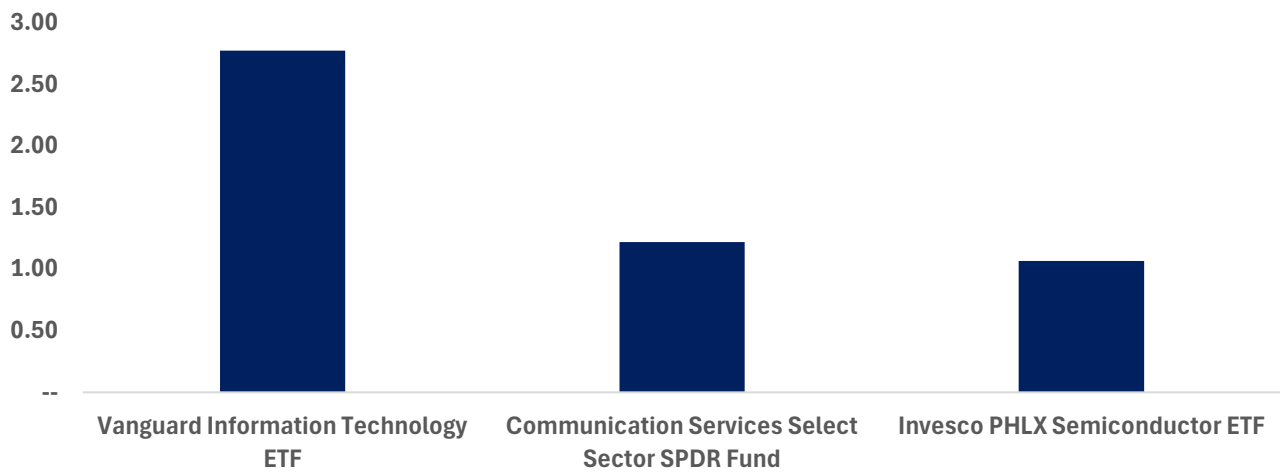
## ETF PERFORMANCE SUMMARY

The best performing Exchange Traded Fund (ETF) positions in the June 2025 quarter were Semiconductors (up 29.7%), Smart Grid Infrastructure (up 22.8%) and Information Technology (up 22.3%). Underperforming ETFs were Broad Healthcare (down 7.7%), Global Pharmaceuticals (down 3.5%) and Midstream Gas (down 1.8%). Amazon, an individual stock holding, recovered (up 15.3%) while semiconductor leader Nvidia rebounded (up 45.7%)



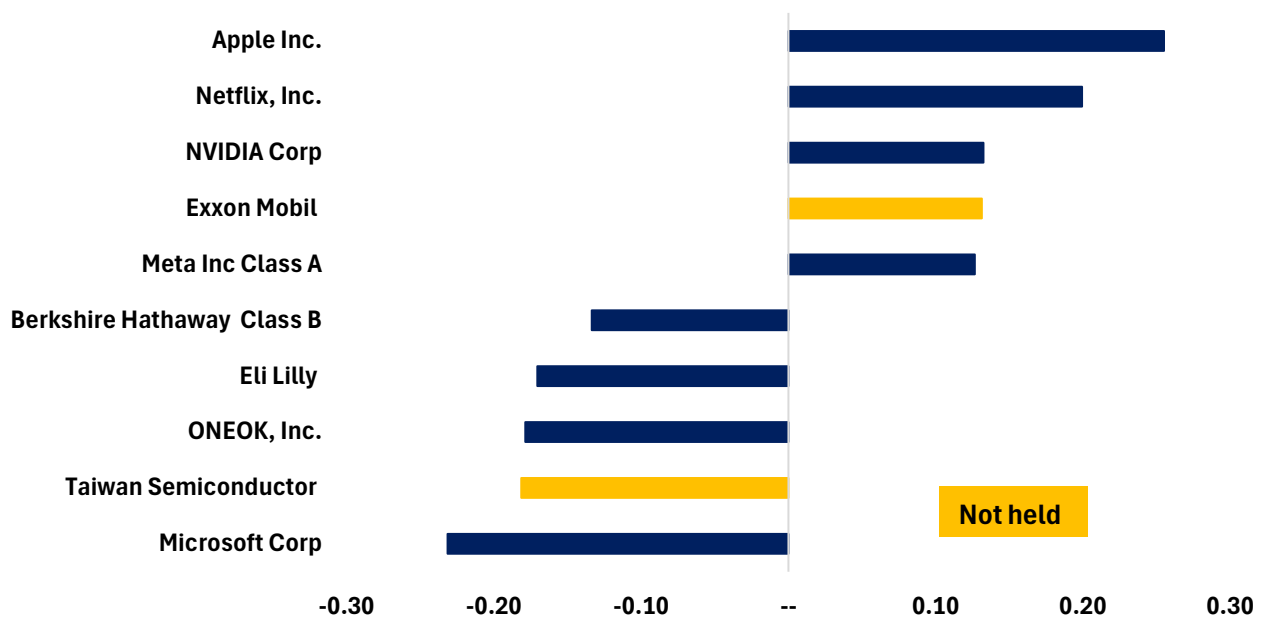
## CONTRIBUTION AND ATTRIBUTION

### Key Contributors to Quarterly Return (%)



Source: Equity Trustees / Factset

### June Quarter – Stock Attribution (bps)



Source: Equity Trustees / Factset

## FUND ACTIVITY

In the June 2025 quarter, the position in Amazon was increased during the April market downturn. Mobility leader UBER was added as a single stock which boosted the existing Uber holding in the Industrials ETF.

After June 30, a significant change was made to the Fund's healthcare exposure. On 1 July the Broad Healthcare ETF was sold and the portfolio allocation to the Global Pharmaceutical ETF (PPH) was increased from 5% to 12%.

**INDIVIDUAL STOCKS:** Amazon.com / Nvidia / UBER Technologies

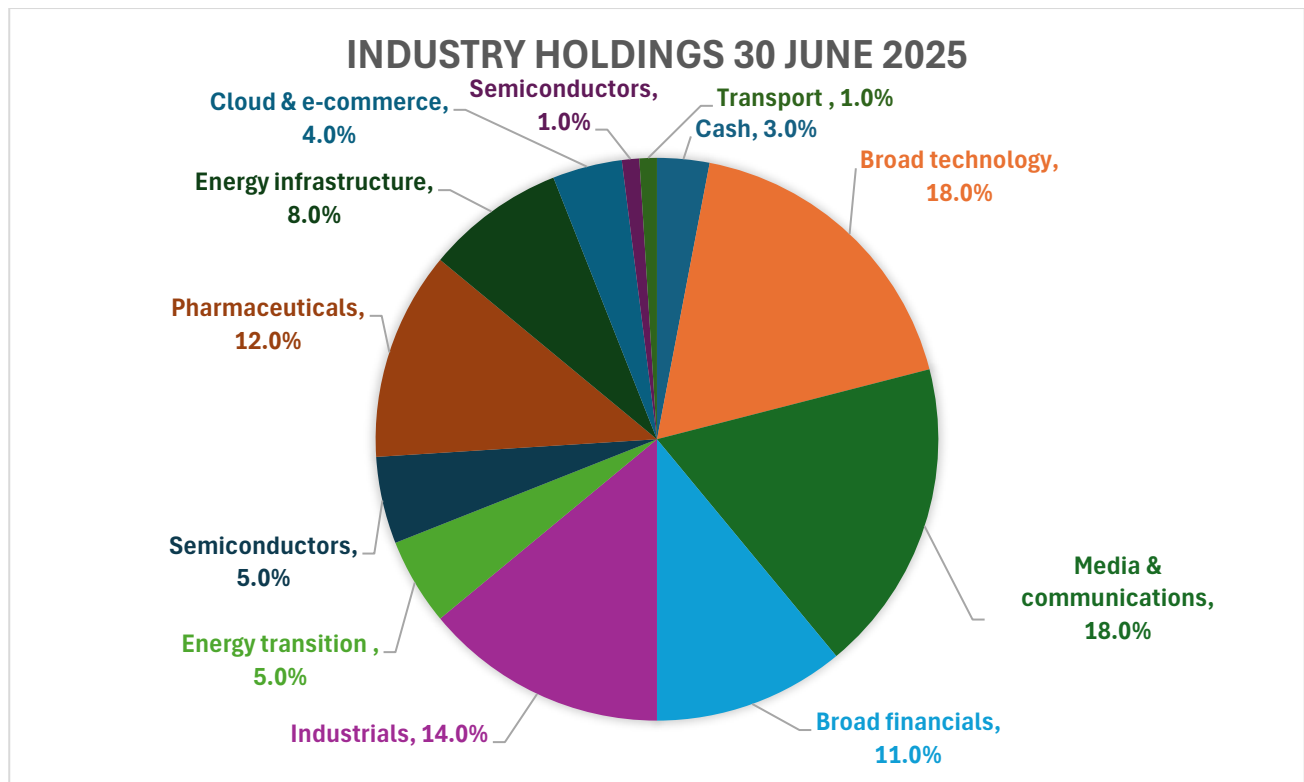


## ETF CONSTITUENT COMPANIES

We highlight significant companies in each Exchange Traded Fund (ETF) as follows:

INDUSTRY ETF EXPOSURE	MAJOR COMPANY EXPOSURE
MIDSTREAM ENERGY INFRASTRUCTURE	ONEOK, Kinder Morgan, Cheniere, Williams
SMART GRID / ENERGY TRANSITION	ABB, Schneider Electric, Johnson Controls, Eaton PLC
SEMICONDUCTORS	Advanced Micro Devices, Broadcom, Taiwan Semiconductor, NVIDIA
INFORMATION TECHNOLOGY	Apple, Microsoft, NVIDIA, Oracle, Palantir, Broadcom
BROAD HEALTHCARE	United Health, Eli Lilly, Johnson & Johnson, Merck
GLOBAL PHARMACEUTICALS	Eli Lilly, Novo Nordisk, J&J, Novartis, Zoetis, Takeda
COMMUNICATIONS	Alphabet, Meta Platforms, Netflix, Electronic Arts, Disney, T-Mobile
FINANCIALS	Berkshire Hathaway, JP Morgan, Visa, Mastercard, Goldman Sachs, Blackrock
INDUSTRIALS	Caterpillar, GE Aerospace, Honeywell, UBER Technologies, Boeing

## SECTOR EXPOSURE



Source: Eight Bays 30 June 2025

**EQT EIGHT BAYS INDIVIDUAL LOOK THROUGH STOCK EXPOSURE**

<b>NVIDIA Corporation</b>	<b>4.6%</b>
<b>Amazon.com, Inc.</b>	<b>4.3%</b>
<b>Meta Platforms Inc Class A</b>	<b>3.4%</b>
<b>Microsoft Corporation</b>	<b>2.7%</b>
<b>Apple Inc.</b>	<b>2.5%</b>
<b>Eli Lilly and Company</b>	<b>2.2%</b>
<b>Alphabet Inc. Class A</b>	<b>1.8%</b>
<b>Netflix, Inc.</b>	<b>1.6%</b>
<b>Alphabet Inc. Class C</b>	<b>1.4%</b>
<b>Broadcom Inc.</b>	<b>1.3%</b>
<b>Berkshire Hathaway Inc. Class B</b>	<b>1.4%</b>
<b>Johnson &amp; Johnson</b>	<b>1.2%</b>
<b>JPMorgan Chase &amp; Co.</b>	<b>1.2%</b>
<b>Novartis AG Sponsored ADR</b>	<b>0.9%</b>
<b>Visa Inc. Class A</b>	<b>0.9%</b>
<b>Novo Nordisk</b>	<b>0.9%</b>
<b>Eaton Corp. Plc</b>	<b>0.9%</b>
<b>Electronic Arts Inc.</b>	<b>0.9%</b>
<b>T-Mobile US, Inc.</b>	<b>0.8%</b>
<b>Charter Communications, Inc. Class A</b>	<b>0.8%</b>
<b>Walt Disney Company</b>	<b>0.8%</b>

Source: Eight Bays 30 June 2025

**MARKET COMMENTARY**

The June quarter was marked by significant volatility, primarily driven by geopolitical tensions and shifting trade policies. Despite these challenges, global equity markets rebounded strongly from the lows in early April, with the MSCI World ex Australia index (in USD) posting an impressive 11.6% gain for the quarter and a 16.8% increase over FY25. In AUD terms the MSCI World ex Australia rose 5.9% in the June quarter and 18.6% in FY25.

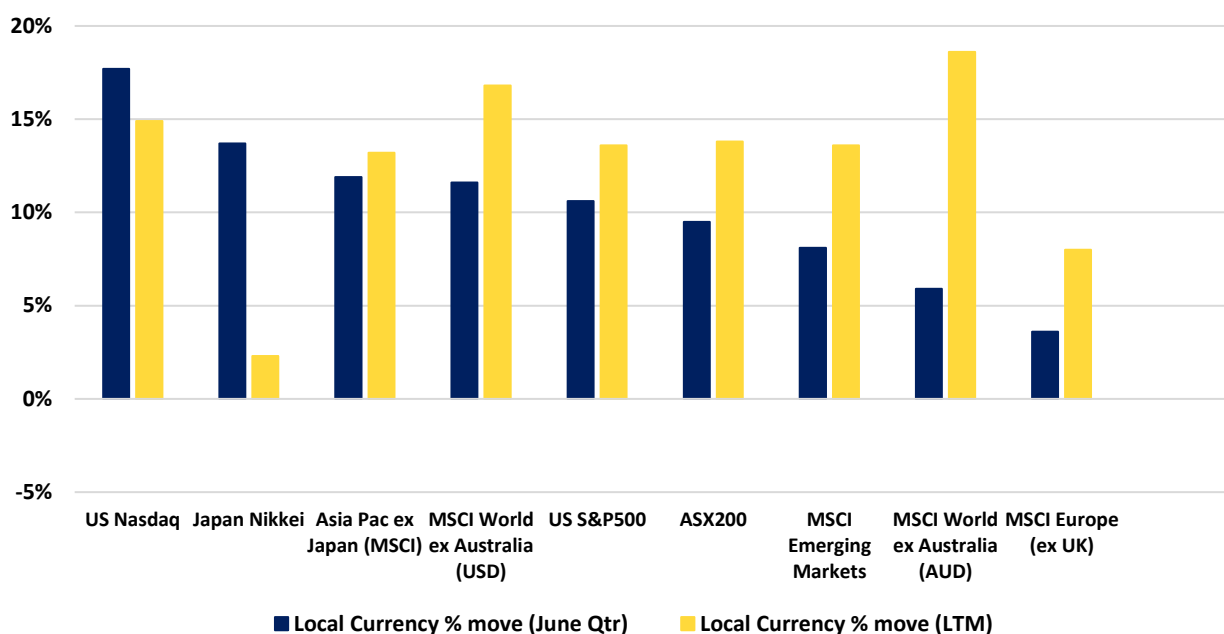
In local currency terms the US Nasdaq (+17.7%), Japanese Nikkei (+13.7%) and MSCI Asia-Pacific ex Japan (+11.9%) indices outperformed during the quarter. Korea rallied strongly. The rebound in tech stocks fuelled gains in the Nasdaq. Japanese equities benefited as trade tensions reduced, yen appreciation lessened, investor flow increased, and corporate reforms reaccelerated. Conversely, European (+3.6%) and Emerging Markets (+8.1%) relatively underperformed.

This resurgence in the June quarter was fuelled by easing geopolitical tensions, including a cease-fire between Israel and Iran, a rebound in tech stocks and improved investor sentiment. Earnings revisions were mildly positive, and economic growth has remained sound without being spectacular. Investor concern about tariffs reduced while optimism around the US' "One Big Beautiful Bill", that offers stimulatory tax cuts, emerged. However deglobalisation is intensifying as President Trump's protectionist measures evolve and trade flows are re-organised.

The US' S&P 500 and Nasdaq reached all-time highs largely attributed to robust earnings in the tech sector, the pause in implementation of US tariffs and expectations of future U.S. interest rate cuts. American wealth is tied to the equity market which has performed strongly, while homeowners have benefited from locking their mortgages in at low-rate levels in prior years. Stocks exhibiting strong growth and earnings momentum factors outperformed in the US.



### Global equity market performance - June Qtr and Last 12 months (LTM)



Source: Equity Trustees

The tech sector rebounded after a “DeepSeek” induced sell-off in the March quarter. Concerns regarding the amount of future investment spend, returns on capital spent and barriers to entry dissipated over the quarter as AI related investment continued, Mega-tech companies delivered solid results, regulatory clarity emerged, and investor confidence grew.

After a strong start to the year, European markets were impacted by concerns the European central bank may pause its rate cutting regime as higher inflation emerged in June. Within Europe, the Defence and Banking sectors have performed well in 2025 powered by increased NATO-aligned defence spending, notably in Germany. Additionally, the euro appreciation against the dollar reached a near four-year high making European assets more appealing for U.S. investors.

Global economic growth remained broadly resilient assisted by the pull-forward of activity before tariffs are enacted. Global inflation measures remained well behaved. A number of central banks around the world cut rates to support economic growth.

The US Federal Reserve remained on hold through-out the quarter in a “wait and see mode”, but the expectation is for future Fed cuts. US employment data remained solid. US Inflation normalised but inflation expectations increased as concerns about the impact of tariffs rose. Hard data remained strong while “soft” data (or leading indicators) weakened. The US Dollar continued to fall as international investors diversified their holdings, concerns around the US fiscal position and economic policy uncertainty has increased.

In China, the two-speed economy continued where exports and manufacturing remained strong while the property market remained weak. Household confidence remains low and retail sales subdued. Chinese exports to the US reduced while exports to the Rest-of-World increased. As the quarter wore on, a number of economists increased their expectations for GDP growth in China in 2025. Policy makers have set a 5% GDP growth target for 2025 highlighting the importance of boosting domestic demand, however deflation remains an issue. Continued policy stimulus remains in place to support the economy.



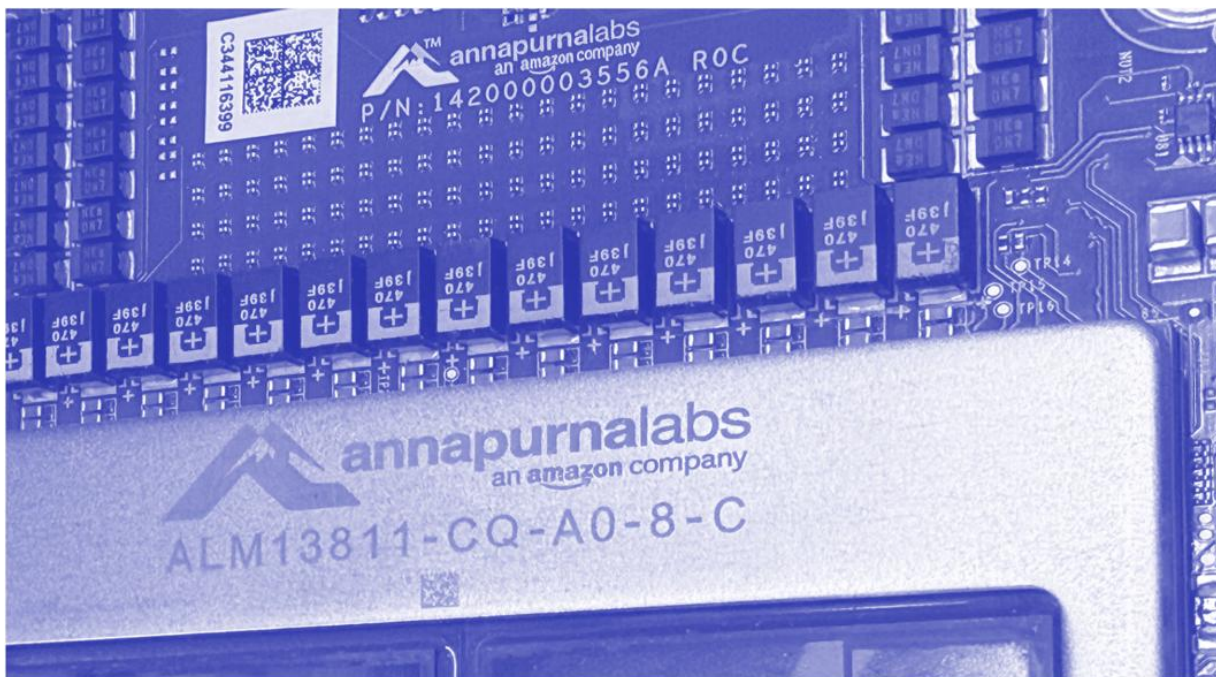
## STOCK UPDATE - AMAZON

The Fund holds an overweight single stock position in **Amazon**. We previously reported the July 2024 partnership with the Australian Government to provide an Amazon Web Services (AWS) Cloud Service for defence and intelligence, including facilitating “interoperability” with the USA. In June 2025 AWS announced a \$US13 billion investment to expand its cloud infrastructure in Australia, expanding AWS cloud and artificial intelligence capabilities in Australia.

AWS has continued to advance the development of its Trainium Graphic Processing Unit (GPU) chip, with the Trainium 2 chip now a viable alternative to Nvidia’s H100 GPU in certain applications.

*“Trainium is one of several in-house chips that Amazon has developed (alongside Graviton and Inferentia), built for training machine learning models in the AWS cloud, and offering a lower cost alternative ..... not intended as a like for like replacement for Nvidia’s more advanced products but it doesn’t need to be”* (source: techradar.com 30 March 2025)

Amazon’s 2015 acquisition of Annapurna Labs now looks prescient in facilitating Amazon’s semiconductor projects:



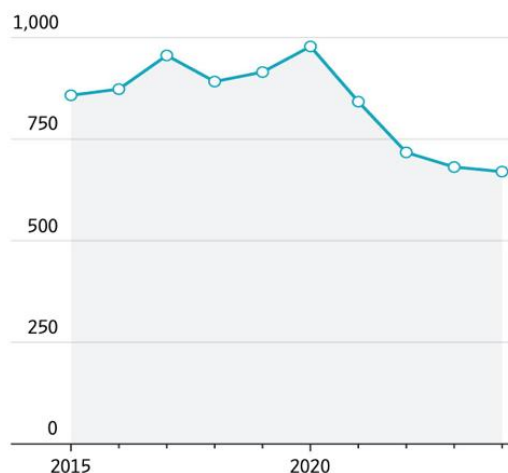
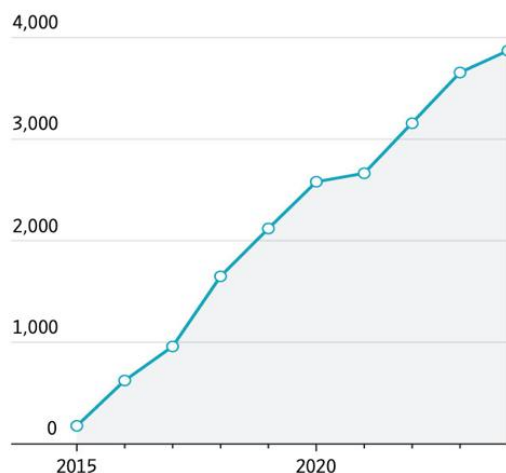
Source: Capital Brief 15 June 2025

Amazon continues to collaborate with semiconductor design companies such as Broadcom and Marvel, however Nvidia remains well ahead and can barely keep up with demand, and many customers will be reluctant to switch from Nvidia’s compute unified device architecture (CUDA) platform.

While AWS has been Amazon’s profit centre in recent years, the inflection into stronger profits of Amazon’s vast retail and logistics division will remain a focus.

A recent Wall Street Journal report **“Amazon is on the cusp of using more robots than humans in its warehouses”** (30 June 2025) stated “the company began introducing advanced robotics to its warehouses after it paid \$US 775 million in 2012 to buy Kiva Systems, and.....Amazon has trained more than 700,000 workers for higher paying jobs including working with robotics.



**Number of Amazon employees, per facility****Packages handled by Amazon end-to-end, per employee**

Note: Includes employees at Amazon corporate offices. Employee and facility figures are global; package figures are for U.S. shipments only.

Sources: WSJ analysis of data from the company (employees), MWPVL International (facilities) and ShipMatrix (packages)

Source: Wall Street Journal 30 June 2025

Robots are allowing Amazon to slow hiring. In the USA, after a massive increase in investment in Artificial Intelligence (including robotics and automation) investors are now expecting to see tangible benefits in corporate profits and Amazon has conceded that it will cut its workforce over the next few years.

## STOCK FOCUS - UBER TECHNOLOGIES

Leading Mobility and Delivery Platform **Uber** is a top 5 holding in the Industrials ETF and this overweight position was boosted by the recent addition of Uber as a single stock holding. As an online platform Uber generates commissions from each booking, with operations in over 70 countries. With 30 million Uber One members Mobility continues to grow while Delivery is expanding from food to grocery, alcohol and convenience.

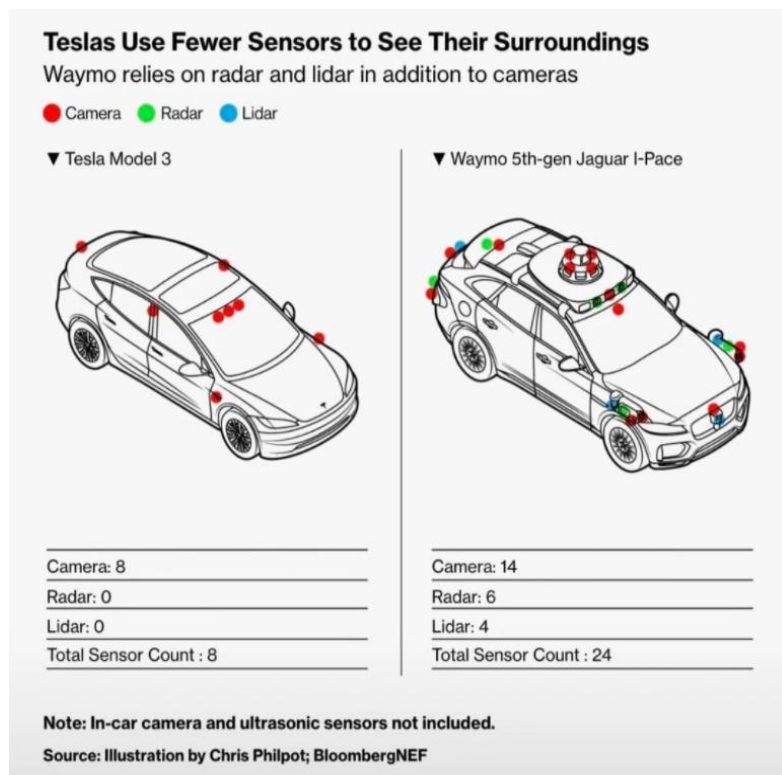
The impact of autonomous vehicles on Uber has been much debated, particularly with the June soft launch (with human babysitters!) of Tesla's robotaxis. Elon Musk stated that Tesla had no need to buy Uber, while the Tesla robotaxi launch only confirmed that Google's Waymo had a substantial lead in autonomous vehicles (AV).

While Uber no longer have an AV project, since 2023 they have partnered with Waymo in Phoenix, with Waymo AVs joining the Uber platform. Uber manage and dispatch Waymo AVs (including cleaning and repairs) while Waymo remains responsible for testing and operation (including roadside assistance). This year the partnership has expanded into Austin and Atlanta.

Waymo continues to run the full AV operation in cities including San Francisco and Los Angeles, so their long-term commitment to partner with Uber is an open question. However, several emerging AV developers are also forming partnerships with Uber - BYD for Europe and Latin America, British technology leader Wayve, PONY AI and Volkswagen.

In January 2025 Uber announced a partnership with the ubiquitous NVIDIA to support the development of AI powered autonomous driving technology.

Returning to Tesla and Elon Musk's claim that his AVs will have a massive cost advantage, the following diagram might illustrate why:



Waymo is using cameras, LiDAR and radar to give robustness in low light, glare and inclement weather. Vision only Tesla must rely on cameras and software. What happens in fog or smoke?

Google have prioritised safety and Waymo has now achieved over 10 million paid rides, with a Swiss Re study showing 92% fewer injury claims and 88% fewer property damage claims compared to human drivers. (source: Waypoint 19 December 2024).

As Google does not provide cost or profitability figures for Waymo, the contest with Tesla remains open despite Waymo's substantial lead. It seems likely that Uber will remain flexible and utilise its strong platform to advantage.

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Past performance should not be taken as an indicator of future performance.

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.

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