

Global Equities

August 2025



Liontrust GF Global Alpha Long Short Fund



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- The Fund's consumer discretionary names led August's long book contributors, with Shopify and Trip.com among the highlights.
- Long book additions include Vestas Wind Systems – added after recent US renewable energy legislation was more favourable than anticipated – and Firefly Aerospace, an exciting play on the evolving space economy.
- With concentration risk, valuation and profit margins all sitting at record high levels, we continue to believe that overall equity returns could be subdued – shining a light on the benefits of long/short investing in generating alpha.

The Liontrust GF Global Alpha Long Short Fund returned 0.3% in US dollar terms in August, compared with the 0.3% return of the Secured Overnight Financing Rate reference benchmark and the 1.5% return of the HFRX Equity Hedge (USD) Index, also a reference benchmark.

Portfolio review

Both net and gross exposures remained at the low end of the Fund's range over the month.

The largest contribution on the long side came from **Zinka** (+36% in US dollar terms), an Indian logistics name we added in July which provides digital platforms for truck operators. **Alphabet** (+11%), which remains one of our favourite under-appreciated Magnificent Seven names, was also a top contributor after a federal judge ruled that Google would not be forced to sell Chrome, the source of a significant overhang for the stock.

Consumer discretionary names overall performed well with **Shopify** (+16%) and **Trip.com** (+19%) highlights in the month.

On the negative side, long name **Coinbase** (-19%) detracted as it gave back some of its strong gains from June and July following a lacklustre set of results. Despite the lack of a convincing upgrade from results, Coinbase remains our preferred play on the crypto space and a core holding in our crypto basket.

The short book's positive contributors included positions in a US salad bar chain, an enterprise AI IT company, and a digital media buying platform, all of which benefitted from strong sell offs in the underlying shares.

Portfolio changes

Notable new additions in August include **Vestas Wind Systems** and the IPO of **Firefly Aerospace**.

Vestas is well-positioned to benefit from a significant policy-driven tailwind following a better-than-expected outcome from recent U.S. renewable energy legislation. Updated guidance on tax credits under the Inflation Reduction Act proved far more favourable than anticipated, extending eligibility and easing compliance requirements, which has already renewed confidence in US order momentum. With a robust €67.3 billion backlog, including a high-margin service segment targeting 25% operating margins by 2026, and a growing US footprint to capture accelerating demand, Vestas combines strong fundamentals with operational improvements that support margin expansion. The removal of regulatory uncertainty in one of its largest markets transforms a key risk into a powerful growth catalyst, positioning Vestas for sustained profitability and long-term value creation.

Firefly Aerospace is an exciting play on the evolving space economy, designing and developing launch vehicles and spacecraft solutions. Firefly is set to capitalise on the significant and growing demand for satellite launches with a differentiated product in a supply constrained arena. It should begin generating cash in 2026 and be EBITDA positive by 2027.

Outlook

We believe the outlook for the rest of 2025 offers an exciting opportunity for active management and alternative equity strategies; with concentration risk, valuation and profit margins all sitting at record high levels over many years, it is clear that overall equity returns are going to be harder to achieve and this should shine a light on the benefits of long/short equity investing.

Our base case is that equity markets globally remain little changed in the second half of 2025 but that the polarisation of winners and losers will remain significant. For the first time in many years, stock selection outside the very biggest companies in the world will matter as will geographical diversification. In this environment, the overall market returns matter less, but we worry that many will remain stranded in the trades that led the last ten years rather than those that will lead over the next ten.

Thematically, we remain positive on the potential for AI to drive significant benefits across all industries. We continue to believe it is best to focus on identifying winners in AI use cases, rather than invest in the infrastructure providers that run a risk of running into a capacity glut.

We have waited patiently for the crypto world to unfold and the IPO of Circle Internet could act as a Chat GPT moment for Stablecoins. This will benefit the entire blockchain/crypto supply chain and, together with fintech, remains a key theme for the rest of this year.

Discrete years' performance (%* to previous quarter-end:

	Jun-25	Jun-24	Jun-23	Jun-22	Jun-21
Liontrust GF Global Alpha Long Short B8 Acc USD	13.6%	20.1%	-10.2%	-3.5%	45.8%
FRB of New York Secured Overnight Financial Rate	4.7%	5.3%	3.8%	0.2%	0.1%
HFRX Equity Hedge	7.0%	9.1%	4.6%	-0.9%	20.4%

Source: FE Analytics, as at 30.06.25, total return, net of fees and income reinvested. *The Fund was launched on 24 January 2025 to receive the assets of GAM Star Alpha Technology, which was a sub-fund of GAM Star plc ("the merging fund"), which was very similar to the Fund. Because of the similarities between the merging fund and the Fund, the past performance of GAM Star Alpha Technology C Acc - EUR share class has been used for periods prior to the Fund's launch date.

Key Risks.

Past performance does not predict future returns. You may get back less than you originally invested. We recommend this fund is held long term (minimum period of 5 years). We recommend that you hold this fund as part of a diversified portfolio of investments

Overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Fund. The Fund can invest in derivatives. Derivatives are used to protect against currency, credit or interest rate moves or for investment purposes. There is a risk that losses could be made on derivative positions or that the counterparties could fail to complete on transactions. The Fund uses derivative instruments that may result in higher cash levels. Outside of normal conditions, the Fund may choose to hold higher levels of cash. Cash may be deposited with several credit counterparties (e.g. international banks) or in short dated bonds. A credit risk arises should one or more of these counterparties be unable to return the deposited cash. The Fund's volatility limits are calculated using the Value at Risk (VaR) methodology. In high interest rate environments the Fund's implied volatility limits may rise resulting in a higher risk indicator score. The higher score does not necessarily mean the Fund is more risky and is potentially a result of overall market conditions. The Fund may invest in emerging markets which carries a higher risk than investment in more developed countries. This may result in higher volatility and larger drops in the value of the fund over the short term. Certain countries, including China, have a higher risk of the imposition of financial and economic sanctions on them which may have a significant economic impact on any company operating, or based, in these countries and their ability to trade as normal. Any such sanctions may cause the value of the investments in the fund to fall significantly and may result in liquidity issues which could prevent the fund from meeting redemptions. The Fund may invest in smaller companies and may invest a small proportion (less than 10%) of the Fund in unlisted securities. There may be liquidity constraints in these securities from time to time, i.e. in certain circumstances, the fund may not be able to sell a position for full value or at all in the short term. This may affect performance and could cause the fund to defer or suspend redemptions of its shares. The Fund may encounter liquidity constraints from time to time. The spread between the price you buy and sell shares will reflect the less liquid nature of the underlying holdings. There is no guarantee that an absolute return will be generated over any time period. The Fund may have both Hedged and Unhedged share classes available. The Hedged share classes use forward foreign exchange contracts to protect returns in the base currency of the Fund. ESG Risk: there may be limitations to the availability, completeness or accuracy of ESG information from third-party providers, or inconsistencies in the consideration of ESG factors across different third party data providers, given the evolving nature of ESG. Investors in share classes with a performance fee will pay a variable performance fee amount that is based on the performance of the underlying share class, which is likely to result in different total fees being charged each year and, during periods of outperformance, higher total fees than that of a share class with no performance fee. A performance fee may be payable in case the share class has outperformed its benchmark but had a negative performance. The issue of units/shares in Liontrust Funds may be subject to an initial charge, which will have an impact on the realisable value of the investment, particularly in the short term. Investments should always be considered as long term.

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