Antares Equities – Interest Rate and Cycles: Do they matter anymore?

September 2024

| EQUITIES |

FUND MANAGER OF THE YEAR 2022
WINNER
Australian Equities SMAs

2024 IMAP MANAGED ACCOUNT AWARDS
IMAP
MANAGED ACCOUNT AWARD FINALIST
AUSTRALIAN EQUITIES

antares

Important information

This presentation has been prepared for use by licensed financial advisers. It must not be made available to any retail client and any information in it must not be communicated to any retail clients.

Information is current as at 31th January 2024.

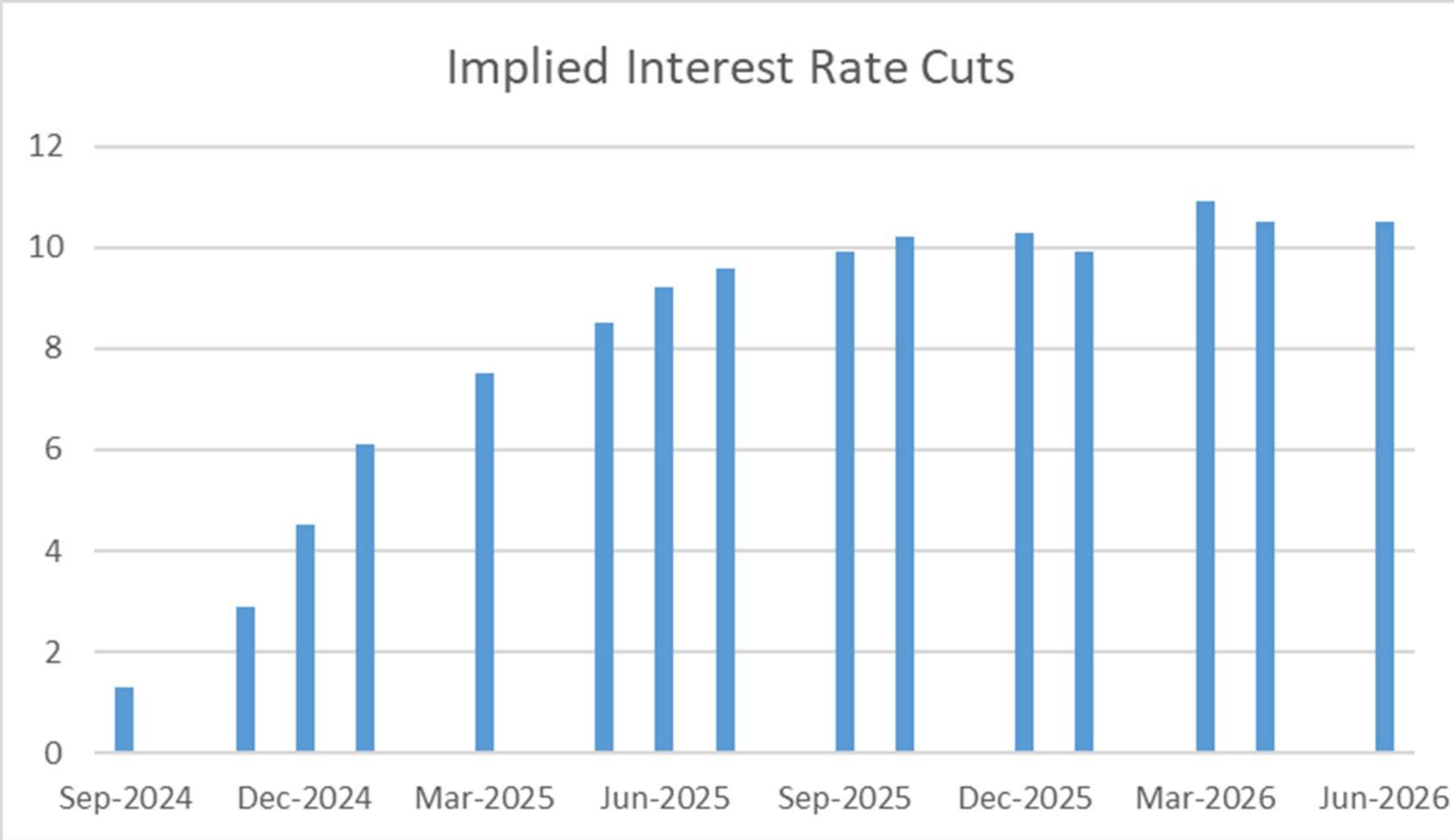
This presentation is provided by Antares Capital Partners Ltd ABN 85 066 081 114, AFSL 234483 (“Antares”) as the responsible entity and issuer of the Antares Ex-20 Australian Equities Fund (ARSN 635 799 530) (the ‘Fund’). A business unit within Antares, known as Antares Equities, is the investment manager of the Fund. Antares is part of the Insignia Financial group of companies (comprising Insignia Financial Ltd ABN 49 100 103 722 and its related bodies corporate) (‘Insignia Financial Group’). The capital value, payment of income and performance of any financial product offered by any member of the Insignia Financial Group including but not limited to Antares, are not guaranteed.

The information in this presentation has been prepared for licensed financial advisers or “wholesale clients” as defined in the Corporations Act 2001 (Cth), it is not suitable for and accordingly must not be made available to “retail clients” (as defined in the Corporations Act 2001 (Cth)). This presentation and any information contained in its must not be distributed to any third party and must be kept confidential.

This presentation has been prepared for information purposes only. Any advice in this presentation is of a general nature and is not intended to constitute a recommendation or advice. It has been prepared without taking into account any investor’s personal objectives, financial situation or needs. Investors should consider its appropriateness having regard to these factors before acting on any information in this presentation. Before making an investment in the Fund, investors should consider the product disclosure statements for the Fund (“PDS”) issued by Antares and consider it before making a decision about whether to acquire, continue or cease to hold an interest in the Fund. The PDS is available at http://www.antarescapital.com.au or you can request a copy free of charge by calling us on 1800 671 849.

Any opinions expressed in this presentation constitute our judgement at the time of issue. We believe that the information contained in this presentation is correct and that any estimates, opinions, conclusions or recommendations are reasonably held or made at the time of preparation. However, no warranty is made as to their accuracy or reliability. The information in this presentation is subject to change without notice. Any reference in this presentation to a specific company is for illustrative purposes only and should not be taken as a recommendation to buy, sell or hold securities or any other investment in that company. Securities mentioned in this presentation may no longer be in the Fund after the time of preparation. In some cases, the information is provided to us by third parties, while it is believed that the information is accurate and reliable, the accuracy of that information is not guaranteed in any way. None of Antares, any other member or the Insignia Group, or the employees or directors of the Insignia Financial Group are liable for any loss arising from any person relying on information provided by third parties. Except where contrary to law, we intend by this notice to exclude liability for this material. Any statements as to future matters are not guaranteed to be accurate, actual events may vary materially. Any statements as to past performance do not represent future performance and must not be relied upon as indicators of future performance. Past performance is not a reliable indicator of future performance. Returns are not guaranteed, and actual returns may vary from any target returns described in this presentation. The value of an investment may rise or fall with the changes in the market. Any projection or other forward-looking statement (‘Projection’) in this document is provided for information purposes only. Any projections mentioned in this presentation are predictive in character. The projections may be affected by inaccurate assumptions or may not take into account known or unknown risks and uncertainties. The actual results achieved may differ materially from these projections. To the extent permitted by law, neither Antares nor any member of the Insignia Financial Group give any warranty of accuracy, accept any responsibility for errors or omissions in this presentation.

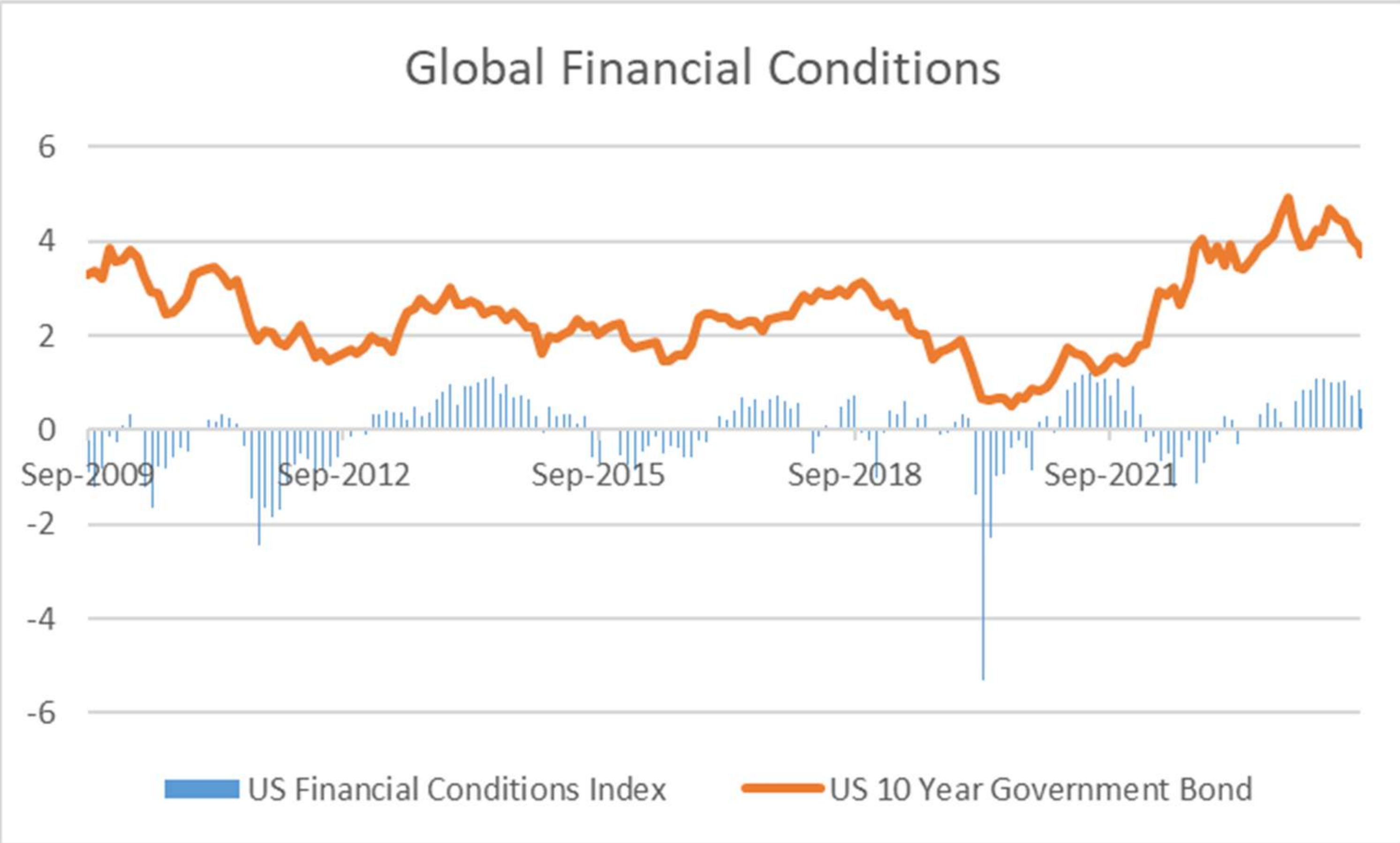
Interest Rate Cuts are a Given (according to the market, for now…)



What does this mean for the Australian Share Market?

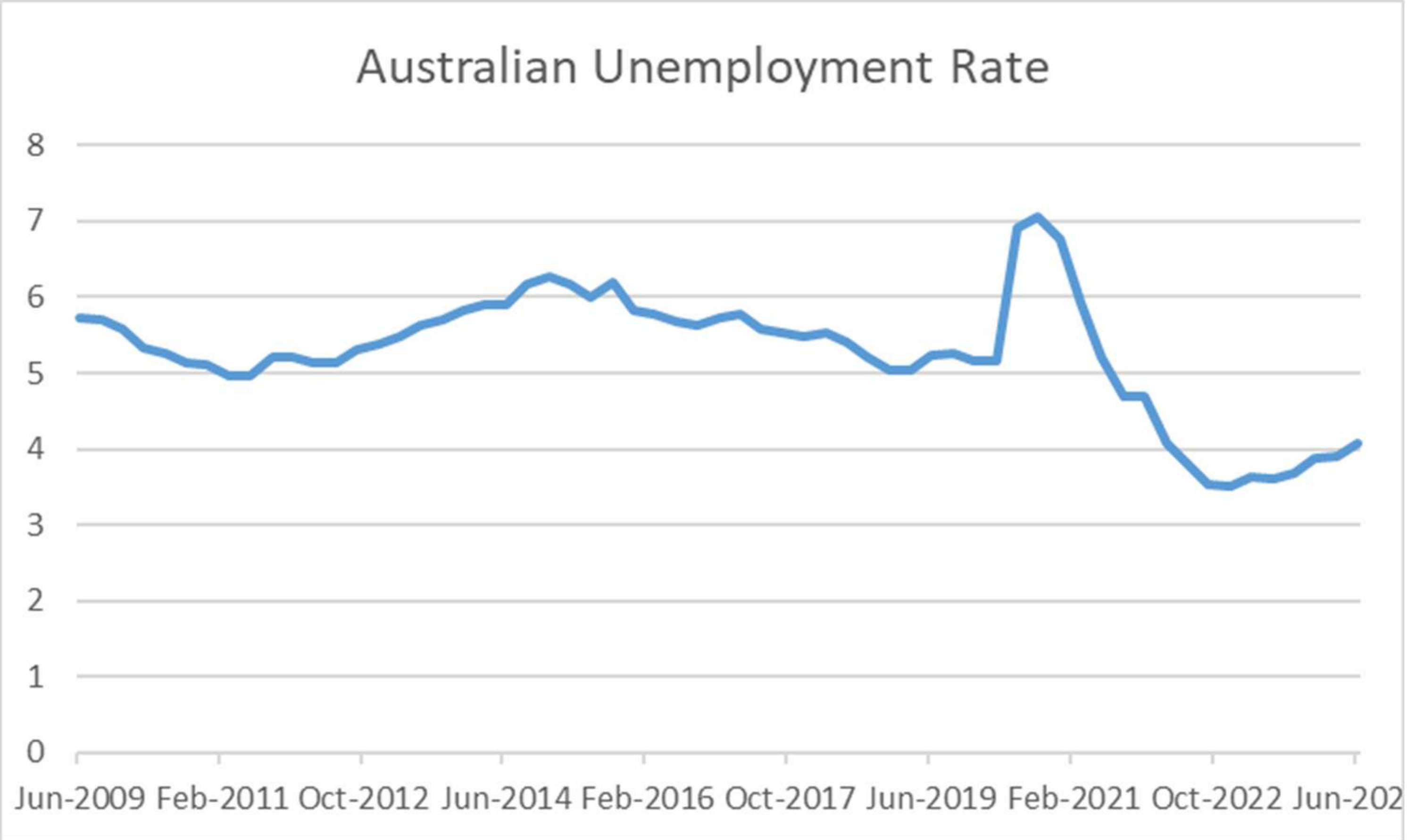
Source: Bloomberg September 2024

Financial Conditions are not particularly tight



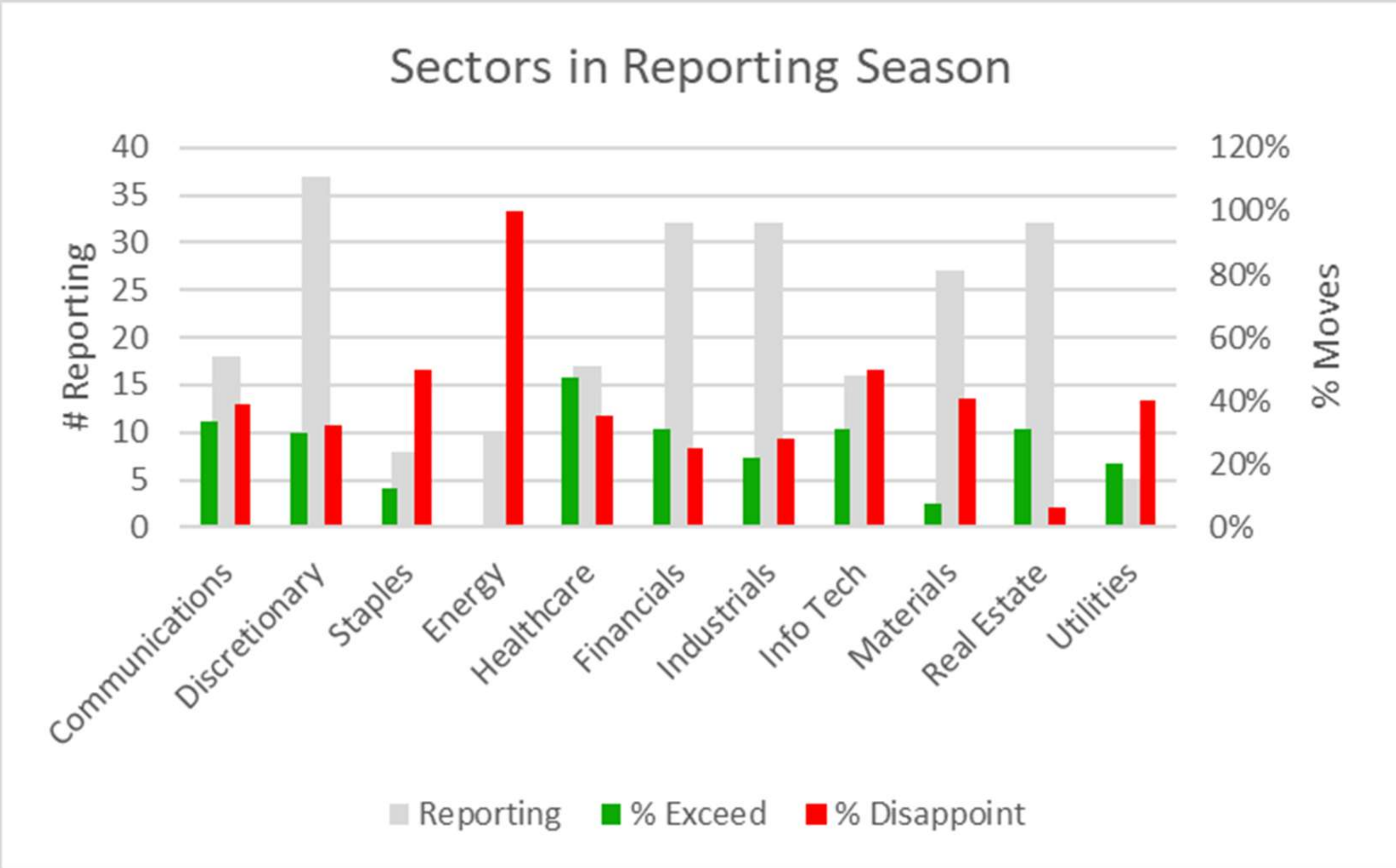
Source: Bloomberg September 2024

Unemployment is not high



Source: Bloomberg September 2024

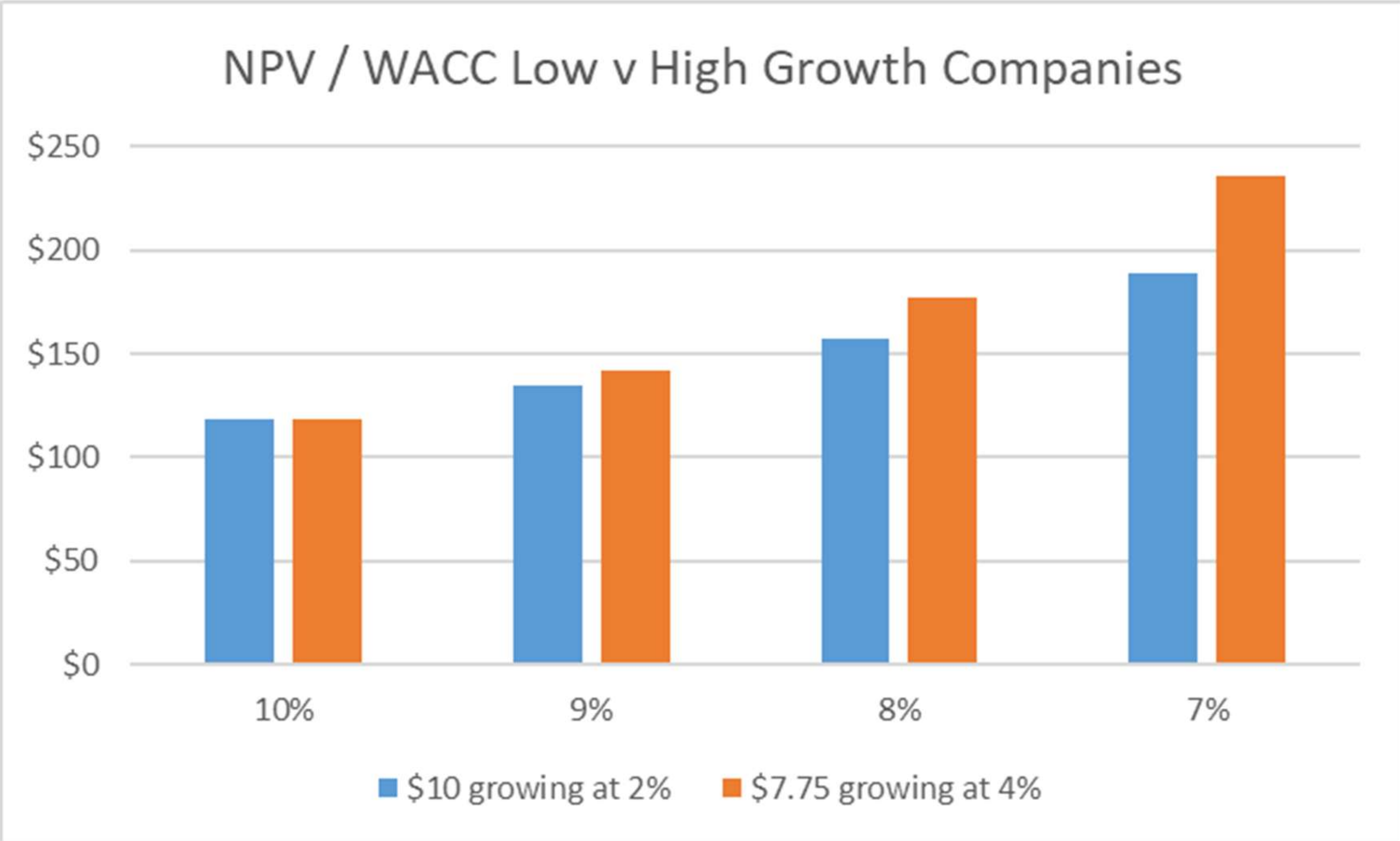
The Consumer is already one of the better performing sectors



Stocks Reporting versus stock moves of +/- 5% from reporting date to 9th September 2024

Source: UBS & Antares Equities 2024

With little scope for change, what about discount rates?



Source: Antares Equities 2024

In Summary

Interest Rate Cuts are a given, but what does this mean?

- There does not seem sufficient distress for rate cuts to drive cyclical recovery
- Consumers are employed
- Consumer sectors are actually performing well
- Hence the biggest impact of lower rates is likely to be via lower discount rates
- This favours longer duration growth