

The Montgomery Fund

Monthly investment report

March 2026

Fund overview

The Montgomery Fund's portfolio will typically comprise 25-35 high-conviction stocks listed on the ASX. The Fund employs an active, bottom-up investment approach focused on fundamental analysis and high-quality companies.

Fund facts

Investment manager:	Montgomery Investment Management Pty Ltd	Investment timeframe:	5 years recommended
Sub-investment manager:	Australian Eagle Asset Management Pty Ltd appointed 12 September 2022.	Inception:	17 August 2012
Objective:	To outperform the index over a rolling 5-year period.	Minimum initial investment:	\$25,000
Benchmark:	S&P/ASX 300 Accumulation Index	Fund size:	\$263.24 million
Portfolio managers:	Sean Sequeira, Alan Kwan	Management fees and costs:	1.36% pa*
APIR code:	FHT0030AU	Distributions:	Half-yearly. View a history of our website here .
Investment style:	Agnostic	Performance fee:	15.38% outperformance of the benchmark**
		Unit prices:	montinvest.com/our-funds/the-montgomery-fund/

* Includes the Responsible Entities fees, Montgomery's fees, custody fees, ordinary and abnormal expenses and any indirect costs. This is an estimate as cost may vary.

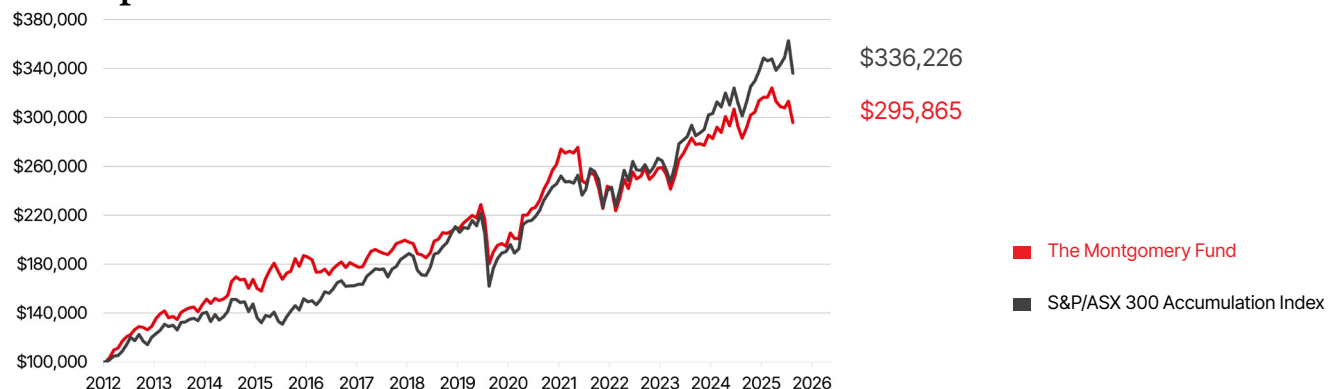
** Please read the Product Disclosure Statement for details.

Portfolio performance

	1 month	3 months	6 months	12 months	3 years (p.a.)	5 years (p.a.)	Since inception [#]	Compound annual return (since inception)
The Montgomery Fund	-5.55%	-4.20%	-6.53%	4.53%	5.48%	4.96%	195.86%	8.29%
S&P/ASX 300 Accumulation Index	-7.30%	-2.04%	-2.91%	11.59%	9.43%	8.46%	236.23%	9.31%
Out/under performance	1.75%	-2.16%	-3.62%	-7.06%	-3.95%	-3.50%	-40.37%	-1.02%

Inception: 17 August 2012, past performance is not indicative of future performance. Portfolio performance is calculated after fees and costs, including the Investment Management fee and Performance fee, but excludes the buy/sell spread. All returns are on a pre-tax basis and assume distributions are reinvested.

Fund performance



Fund commentary

Amid chaotic geopolitics from the United States, the S&P/ASX 300 Accumulation Index declined by 7.30 per cent in March. The Montgomery Fund however returned -5.55 per cent after fees outperforming the benchmark by 1.75 per cent. The market reversed its previous month's gains, with broad weakness also inspired by inflationary concerns. The portfolio's bias toward higher-quality businesses provided relative resilience, with lower-quality stocks experiencing more pronounced weakness.

The Fund's overweight exposure to energy was a key contributor during the month, benefiting from the sharp rise in oil prices, with the investment team subsequently taking profits following the rapid move. This positioning had been built over the prior six months, reflecting our view that the market was underappreciating the earnings potential from Woodside Energy's infrastructure and upcoming gas projects, while downside risk appeared limited with oil prices anchored around US\$60 per barrel.

Portfolio changes

The Fund increased positions in Aristocrat Leisure Ltd (ASX:ALL), CSL Ltd (ASX:CSL), Fortescue Ltd (ASX:FMG), Iluka Resources Ltd (ASX:ILU), Worley Ltd (ASX:WOR) and Xero Ltd (ASX:XRO).

The Fund decreased exposure to BHP Group Ltd (ASX:BHP), Commonwealth Bank Ltd (ASX:CBA), Calix Ltd (ASX:CXL), Evolution Mining Ltd (ASX:EVN), Rio Tinto Ltd (ASX:RIO), SILEX Systems Ltd (ASX:SLX), Web Travel Group (ASX:WEB) and Woodside Energy Ltd (ASX:WDS).

Key contributors

Woodside Energy Ltd (ASX:WDS) – Woodside Energy Group outperformed as oil prices rallied sharply during the month, driven by escalating geopolitical tensions and supply disruption risks in the Middle East. Woodside continues to grow production with new project ramp ups while generating strong free cashflow from infrastructure sales and existing low-cost assets.

TechnologyOne Ltd (ASX:TNE) – TechnologyOne rose after upgrading Financial Year 2026 profit growth and annualised recurring revenue growth guidance in late February. The company's expansion into the UK continues to gain momentum with customer wins in both local government and higher education sectors.

QBE Insurance Group Ltd (ASX:QBE) – QBE Insurance Group outperformed during the month supported by rising bond yields. Improving cost control and a higher payout ratio are driving stronger shareholder returns.

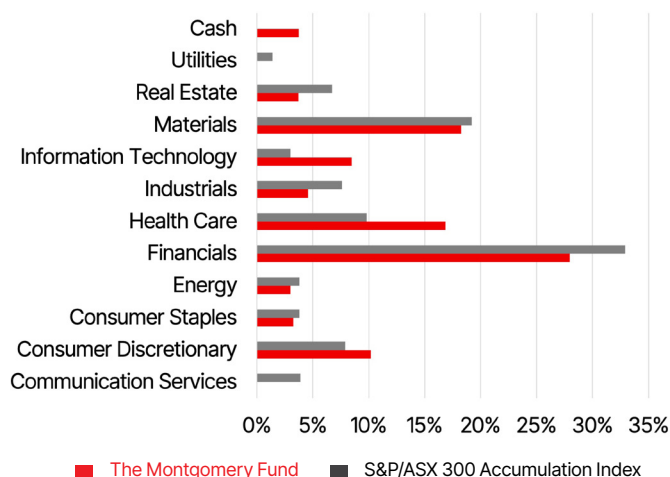
Key detractors

Evolution Mining Ltd (ASX:EVN) – Evolution Mining underperformed as the gold price fell over 11 per cent from US\$5,278/oz to US\$4,677/oz during the month. Evolution continues to generate strong free cashflow as gold and copper production continues to stabilise after a period of operational challenges.

Cochlear Ltd (ASX:COH) – Cochlear continued to fall after reporting a relatively weak result in February 2026 reporting season after experiencing some foreign exchange headwinds and delays in contract negotiations. Cochlear's new upgradeable implant, Nucleus Nexa, has been well received by both surgeons and recipients.

Life360 Inc. (ASX:360) – Life360 underperformed as management stated that Financial Year 2026 performance will be heavily weighted to the second half of the year. The final quarter of 2025 result showed a reacceleration of Monthly Active User growth while management ramps up its targeted advertising strategy.

Industry exposure



Top 10 holdings

Company Name	ASX Code	Weight (%)
Commonwealth Bank of Australia	CBA	6.39
QBE Insurance Group	QBE	5.90
Woodside Energy Group	WDS	5.17
Cochlear	COH	5.01
Aristocrat Leisure	ALL	5.00
Brambles	BXB	4.98
Rio Tinto	RIO	4.97
Evolution Mining	EVN	4.24
CSL	CSL	4.20
PLS Group	PLS	4.08
Cash		3.22
Weighted average market capitalisation		\$67.53bn

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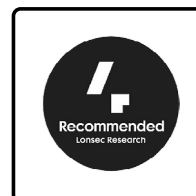
Platform availability

- Asgard
- BT Panorama
- CFS Edge
- DASH
- HUB24
- Insignia eXpand
- Macquarie Wrap
- Mason Stevens
- Netwealth
- North
- Powerwrap
- Praemium

Ratings



Zenith
Recommended



Lonsec Research
Recommended



Read our insights at
rogermontgomery.com

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Important information

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