EGP Long/Short Global Fund – June 2025

The EGP Long/Short Global Fund is a quantitative global long/short fund targeting attractive risk adjusted returns. Objectives include minimising the risk of permanent loss of capital and providing global diversification. The short exposure within the fund typically provides capital at times of market dislocations, enabling redeployment into the long book at lower valuations.

Results Table

	July	August	September	October	November	December	January	February	March	April	May	June	YTD
FY25 - EGPLSGF	(3.12%)	3.82%	6.17%	7.81%	8.64%	(1.38%)	0.12%	(2.54%)	(6.70%)	8.30%	3.60%	(2.70%)	22.50%
FY25 - MSCI ETF - VGS	2.44%	(1.76%)	0.31%	4.91%	3.97%	2.63%	3.14%	(2.30%)	(4.86%)	(1.08%)	6.08%	2.47%	16.49%
6% annualised	0.49%	0.49%	0.49%	0.49%	0.49%	0.49%	0.49%	0.49%	0.49%	0.49%	0.49%	0.49%	6.00%

Performance Summary

Key performance metrics and charts.

Fund Features		Portfolio Analytics		
Performance fee	0-12% (0%) 12-18% (20%) 18%+ (30%)	**Metric**	**Fund**	**VGS**
		AUM	$4.0m	US$37.1b
		Volatility	28.8%	15.3%
Management fee	0.05% per month	Sharpe Ratio	1.10	1.00
Applications or redemptions	Monthly	Sortino Ratio	1.66	1.63
Distribution	At least annually	Largest Drawdown	(10.21%)	(8.05%)
Minimum initial investment	$50,000 (Wholesale Only)	1-year return	22.50%	16.49%
Accounting	True Elite Business Services Pty Ltd	Cumulative Return	22.50%	16.49%
Administration & Registry	Registry Direct	Since Inception Annualised	22.50%	16.49%
Custodian/PB	Interactive Brokers	Unit Price (Mid)	$1.2250	$142.85

Contact Information

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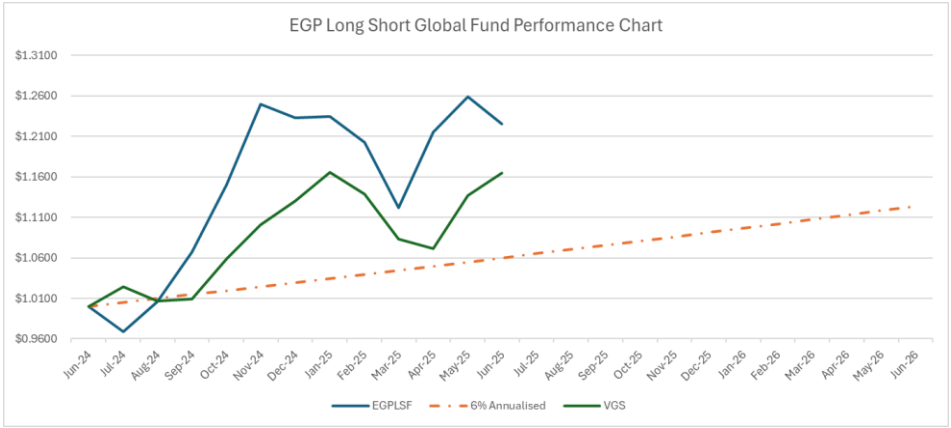
Market Commentary

FYTD Results: Long book 31.81% |Short book (9.31%)
FYTD Exposure: Long = 103.9%| Short = 21.2%| Net = 82.7%

Results Graph



Portfolio Information

FYTD Benchmark Performance Correlation:	**-6%%**
FYTD Benchmark Drawdown Correlation:	**-30.2%**
FYTD Portfolio Turnover:	**50.5x**

Portfolio Summary

Open Positions end of month:

Stock	Country	Holding	Result	Stock	Holding	Holding	Result
SPR		4.5%	(12.3%)	NFLX		5.3%	11.3%
CAT		4.9%	1.8%	PLTR		10.0%	3.6%
RRL		4.7%	(15.7%)	TSLA		4.2%	(7.7%)
GMD		4.6%	(8.9%)	AEM		5.1%	(1.4%)
EVN		4.5%	(13.4%)	L		4.4%	(2.4%)
AVGO		5.5%	13.4%	K		5.8%	2.5%
AXON		5.7%	9.5%	FNV		4.4%	(5.2%)
CVNA		5.0%	3.1%	WPM		5.4%	(0.6%)
DUOL		3.8%	(21.3%)	CASH		18.7%	
GEV		5.4%	11.2%	CASH		7.8%	
HOOD		7.0%	41.6%	DKS		(4.4%)	2.9%
DKS		(4.5%)	2.8%	FLS		(4.5%)	2.2%
FLS		(4.5%)	1.9%	RCL		(4.7%)	(2.7%)
PAYX		(4.8%)	(5.0%)				

Positions closed during the month:

Stock	Country	Holding	Result		Stock	Country	Holding	Result
SIG		5.0%	(2.1%)		ASB		5.0%	1.0%
MRU		4.6%	0.2%		VRSN		2.3%	(0.5%)
UI		2.7%	(0.2%)		TTWO		2.3%	(0.3%)
GME		2.5%	0.2%		FTNT		2.3%	(0.7%)
CRWD		2.6%	(0.1%)		CACI		4.8%	(1.0%)
WDAY		(5.1%)	0.3%		ANSS		(4.9%)	(1.2%)
PDD		(4.5%)	(1.1%)		SNPS		(4.8%)	(2.5%)
CDNS		(4.9%)	(1.4%)		CDNS		5.1%	1.3%
CDNS		5.1%	1.5%		ETSY		(5.0%)	(10.2%)
ETSY		(5.0%)	(10.4%)		ZS		(5.0%)	(6.0%)
ZS		(5.0%)	(5.6%)		ON		(5.0%)	(0.6%)
AVGO		(5.0%)	5.2%		MP		(5.0%)	(4.7%)
CAR		(5.0%)	2.1%		MP		(5.0%)	1.1%
CRWD		(5.0%)	(2.1%)		DLTR		(5.0%)	(2.3%)
APP		5.0%	2.9%		MP		(5.0%)	(8.4%)
ORCL		(5.0%)	(1.0%)		ORCL		(5.0%)	(1.3%)
SJM		(5.0%)	(0.4%)		BG		(5.0%)	(1.7%)
MP		(5.0%)	(0.6%)		CVNA		5.0%	2.6%
CF		(5.0%)	2.3%		DAR		(5.0%)	(3.0%)
JBL		(5.0%)	(4.4%)		TMUS		(5.0%)	(3.3%)
DAR		(5.0%)	(3.5%)		U		5.0%	3.8%
APP		5.0%	6.8%		CNXC		5.0%	4.1%
CNXC		5.0%	3.7%		APP		5.0%	6.2%
DUOL		5.0%	(4.5%)		CAR		(5.0%)	(13.6%)
CAR		(5.0%)	(14.1%)		COHR		(5.0%)	1.7%

Quarterly Commentary

EGPLSF System Analysis - In the March Quarterly Commentary, we discussed balancing LSF sensibly between the different systems, avoiding the temptation to over-allocate to systems that have performed better in our back testing. Instead, trying to give every system equal exposure, so a future that looks different to the past should still deliver attractive returns. This quarter we are going to dig a little deeper into historic performance, analysing each system.

EGP Long Short Fund	NDX_M	ASX_M	RUI_M	TSX_M	MRL_1	MRS_1	MRL_2	MRS_2	DTL	DTS	SHT_M	SPY	Back Test
2000	4.1%	-0.5%	-9.3%	3.1%	35.1%	5.5%	24.3%	5.4%	5.6%	-0.8%	7.3%	-9.0%	97.8%[1]
2001	-4.0%	4.7%	-2.5%	-4.2%	3.4%	11.4%	-0.3%	9.2%	2.5%	0.2%	4.8%	-10.3%	28.4%
2002	-5.8%	3.2%	-2.4%	-5.2%	9.4%	6.2%	8.3%	1.6%	2.6%	0.9%	4.7%	-22.7%	23.0%
2003	19.8%	4.2%	12.1%	7.6%	9.7%	4.9%	7.0%	10.9%	2.2%	0.2%	4.3%	24.5%	116.3%
2004	5.0%	10.0%	2.3%	4.9%	2.8%	1.4%	4.5%	2.9%	0.6%	-0.1%	7.1%	10.8%	48.7%
2005	8.2%	8.1%	2.8%	9.3%	2.2%	2.3%	2.9%	3.0%	2.7%	0.0%	2.9%	5.4%	52.3%
2006	3.3%	19.1%	-2.3%	6.9%	5.5%	4.6%	4.5%	4.1%	2.0%	0.0%	2.3%	14.1%	56.9%
2007	11.8%	15.0%	10.4%	12.4%	5.4%	-1.8%	8.2%	3.8%	4.8%	1.0%	4.7%	5.4%	101.9%
2008	-8.6%	-0.3%	-3.4%	1.3%	13.9%	17.2%	0.6%	10.5%	18.4%	6.8%	2.5%	-36.4%	68.0%
2009	7.3%	1.6%	4.2%	2.5%	11.3%	8.3%	7.4%	6.4%	-2.2%	2.0%	1.8%	22.9%	54.2%
2010	3.1%	-0.3%	11.1%	5.7%	5.3%	4.0%	4.5%	6.4%	5.3%	0.2%	3.8%	13.4%	57.4%
2011	5.9%	-1.3%	1.9%	-5.5%	2.2%	-0.0%	1.1%	1.8%	0.2%	0.5%	3.3%	0.9%	8.8%
2012	5.2%	2.1%	11.8%	-0.1%	3.1%	3.5%	6.3%	5.4%	-0.2%	0.2%	0.3%	14.5%	41.6%
2013	14.6%	11.0%	17.8%	2.9%	3.1%	0.4%	5.0%	6.0%	1.2%	0.1%	-0.7%	29.8%	74.2%
2014	9.9%	0.7%	2.8%	5.4%	1.6%	1.0%	0.6%	2.6%	-1.0%	-0.0%	-1.4%	14.6%	23.2%
2015	6.1%	-0.8%	2.2%	2.3%	1.2%	1.8%	2.0%	0.2%	0.7%	0.3%	3.1%	1.3%	20.2%
2016	7.4%	-1.7%	-0.6%	4.7%	3.9%	6.1%	0.9%	5.7%	1.9%	4.9%	3.8%	13.5%	41.4%
2017	6.9%	5.1%	6.2%	-1.5%	0.9%	1.9%	3.7%	1.5%	0.9%	0.0%	2.2%	21.2%	30.3%
2018	-0.1%	-0.1%	2.3%	-0.7%	1.1%	2.2%	3.8%	2.0%	0.4%	-0.2%	3.6%	-5.3%	13.2%
2019	6.2%	5.4%	-5.0%	2.6%	2.2%	-1.3%	-1.8%	-0.9%	1.3%	-0.2%	1.2%	30.8%	10.0%
2020	20.2%	0.1%	14.4%	-0.5%	14.4%	7.1%	4.1%	9.8%	8.7%	3.2%	5.3%	17.4%	120.4%
2021	9.0%	12.7%	3.5%	4.2%	4.6%	11.3%	7.6%	5.4%	2.3%	-0.9%	1.0%	31.0%	74.3%
2022	-6.2%	0.8%	-0.8%	-0.1%	1.9%	-1.3%	-2.4%	2.0%	-0.7%	2.8%	2.5%	-18.9%	-2.9%
2023	6.6%	-4.8%	4.2%	-3.2%	-0.5%	1.0%	-0.6%	5.3%	1.6%	-0.5%	4.9%	27.2%	13.7%
2024	9.3%	1.6%	29.6%	7.6%	4.6%	4.6%	3.0%	2.9%	3.6%	-3.0%	4.2%	25.5%	86.7%
2025 YTD May	-5.0%	-6.7%	-2.2%	6.3%	-1.8%	5.8%	0.4%	10.5%	12.5%	1.7%	0.1%	2.8%	18.4%[2]
Times in top 2	12	5	7	4	3	5	4	4	2	1	5		
Times in bottom 2	5	9	5	8	1	1	2	1	5	12	3		
Average Return	5.4%	3.4%	4.3%	2.6%	5.6%	4.2%	4.1%	4.8%	3.0%	0.7%	3.0%	8.6%	49.2%
Average Capital Employed	20.9%	21.3%	21.3%	21.5%	4.1%	(3.7%)	4.1%	(3.5%)	2.7%	(0.7%)	(9.1%)	100.4%	112.9%
Average RoCE	25.8%	16.0%	20.1%	12.3%	138.8%	111.9%	98.1%	138.1%	110.2%	105.2%	33.5%	8.6%	43.5%
Max Cap employed	29.9%	30.8%	33.9%	31.7%	33.5%	47.2%	34.4%	51.2%	56.1%	52.0%	42.3%	112.7%	299.9%
RoC On Max Capital	18.0%	11.1%	12.6%	8.3%	16.8%	8.8%	11.8%	9.3%	5.3%	1.4%	7.2%	7.7%	16.4%
Sharpe	0.88	0.62	0.73	0.55	1.09	1.08	0.96	1.20	0.78	0.51	1.02	0.51	1.89

In the table to the left, you can see the 11 different systems currently employed in LSGF, and the annual results for each system going back to 2000. To visually assist, the 2 blue squares are the 2 best performing systems that year, and the orange squares are the 2 worst performing systems that year. At the bottom of the table, you can see the different analyses of each system – looking at various risk and performance factors. While these are useful comparisons, we need to bear in mind that the different systems use different timeframes and need to be considered using different metrics.

Systems Overview: -

1. The first 4 systems are our momentum systems, taking a long position on the first trading day of the month, and holding until the end of month without intervention. Exposure can be scaled back by 50% based on conditions (i.e. in bear markets).
2. The next 4 systems are intermediate mean reversion systems – they aim to catch reversals in overextended stocks and hold from 1-10 days.
3. The next 2 are our day-trading systems, which aim to catch intraday pullbacks, and close out any open positions at market closing, never holding overnight exposure.
4. The last system is the short momentum system, which looks for negative short-term trends, riding them for 1-5 days.

Analyses Overview - We have chosen 4 different ways to analyse each system: -

1. Gross return per system, i.e. System contribution to overall return.
2. Return on Average Capital Employed.
3. Return on Maximum Capital Employed.
4. Sharpe ratio – a useful general measure of risk adjusted return.

Takeaways: -

1. The NASDAQ and Russell 1000 momentum systems have the best number of high returning years. NASDAQ momentum also the highest return on Maximum Capital. Both are excellent systems, also reflective of how strong the US market has been in the tested period. They do not score highly in return on average capital (as they are permanently long), but other risk measures such as Sharpe Ratio, while not the best, are strong. Given that they entail the least amount of work (long positions re-assessed each month), they produce excellent returns for the risk taken.
2. ASX and TSX momentum are our systems in Australia and Canada, the commodity markets. These systems are the worst two performers on the return on average capital score but perform middle of the pack on the return on Maximum Capital. Canada also has the second worst Sharpe ratio. Australia frequently produces a return in the bottom two. These systems are not the best performers but are still solid (especially in terms of management required). They also provide a useful counterbalance to the mainly tech-driven US market, producing returns at very different times and we believe are worth keeping in the portfolio for those reasons.

[1] Annualised returns in this back test will differ from previously issued pitchbooks due to different algorithm construction and the testing excluding fees.
[2] YTD May annualised return in this back test varies slightly to reported performance due to an algorithm change in March. This test shows the current algorithm since 2000.

3. There are four mean reversion systems, two long and two short. The style difference between the systems is that one uses a percentage movement to enter a trade, while the other requires a movement based on the average volatility of the stock. Both these systems have excellent performance metrics – particularly when looking at return on average capital employed and Sharpe ratios. The weakest aspect of the short mean reversion systems is return on Maximum Capital, as despite being low average users of capital, the mean-reversion systems can deploy large swathes of capital swiftly when there are ample set-ups available. When we assess risk, a crucial eye is always on the return on MAXIMUM capital employed (alongside the other risk measures) – we are mindful of the story of the man who drowned in a lake with an "average depth" of 2 feet…
4. We have two day-trading systems (one long and one short) that do not hold any overnight exposure. ROCE is excellent but return on maximum capital is weak. Less concerning given exposure is closed every day. Looking at the table you can see that the short system has the worst performance on numerous metrics. On the face of it, the worst system of the bunch could be scrapped. It is retained (for now, until something better is developed) because: a) It has no overnight exposure, so it is less risky than the other systems. b) It provides short exposure in a predominantly long portfolio and c) It generally performs worse in years the wider portfolio is performing well, and vice versa.
5. Our last system is also a short-only system attempting to follow newly established trends. It has an excellent Sharpe ratio, and all other risk metrics are adequate. It is also reasonably consistent, the most frequent short-system top performer with 5 years in the top two. The system provides valuable short protection, and has decent profit metrics, and is an excellent contributor to the portfolio.

Summary – It is difficult to rank the systems using one metric only. Differing styles and timeframes produce different results depending on what metric you prefer to focus on. It is necessary to look at each system at a holistic level to see if it is worthy of inclusion. Sometimes a system that looks as though it should be excluded will meaningfully weaken the algorithm if removed.

Doing an analysis of this type allows us to assess portfolio weaknesses demonstrated in back-testing. The eternal question when a system underperforms is "Has the system turned bad or is it going through a cyclical bad patch and is about to improve?". This is the dilemma facing systematic traders, and that question is extremely difficult to answer without the benefit of hindsight. Our efforts remain focused on ensuring our systems are robust and continue to improve over time. - From your Co-CIO's: **Erik A. (Tony) Hansen & Gavin L. Skinstad**