



# Australian Eagle Asset Management

April 2025 Monthly Report - Australian Eagle Long-Only Equity

## Portfolio performance

	1 Month	3 Month	6 Month	1 Year	3 Year	5 Year	7 Year	10 Year	Inception p.a.
Portfolio*	3.03%	-4.72%	1.91%	6.23%	7.30%	14.23%	11.47%	12.60%	11.57%
Benchmark**	3.81%	-3.54%	1.53%	10.25%	7.68%	12.64%	9.07%	7.92%	8.07%
Out/(under) performance	-0.78%	-1.18%	0.38%	-4.02%	-0.38%	1.59%	2.40%	4.68%	3.51%

## Top 3 and Bottom 3 Performing Stocks

Top 3: ASX Ltd (ASX), Wesfarmers Ltd (WES), Xero Ltd (XRO)

Bottom 3: Pilbara Minerals Ltd (PLS), SILEX Systems Ltd (SLX), Web Travel Group Ltd (WEB)

## Portfolio changes

### Stocks joined or increased:

**Life360 Inc. (+0.50%, New Entry):** A global safety and tracking platform. The company has recently achieved positive operating cashflow, resulting in a solid foundation for future organic growth.

**CSL Ltd (+1.25%):** A global biotech company specialising in rare and serious diseases. Margin expansion from plasma yield efficiencies is set to accelerate earnings over the medium term.

### Stocks removed or reduced:

**ResMed Inc. (-1.25%):** A multinational sleep apnea and digital health solutions provider. The share price is approaching our valuation target.

**BHP Group Ltd (-0.50%):** A multinational diversified miner. Moderating commodity prices and ongoing operational challenges in nickel represent short term challenges to overcome.

## Market Commentary

Global markets whipsawed but ended mixed as US President Trump announced tariffs on nearly all trading partners including 10% baseline tariffs and country specific tariffs as high as 49% ex China. Reciprocal tariffs between US and China reached well over 100% on both sides as tensions de-escalated at the end of the month. The US Fed acknowledged that tariffs represent risks to stoking inflation while suppressing economic growth. China's economy showed signs of strain as factory activity contracted. The Chinese government reiterated its targeted stimulus plans to support employment and economic growth. The oil price fell US\$13 to US\$58/bbl as OPEC+ tripled planned output increases amid concerns about slowing economic growth. The iron ore price fell US\$5 to US\$95/t on ongoing concerns over the effectiveness of Chinese stimulus. The Australian dollar rose 2c to US64c. The Australian market outperformed world markets, recovering strongly after a sharp initial fall. The RBA left rates unchanged at 4.10% but provided no guidance on the outlook for rate cuts due to heightened global uncertainty. Domestic unemployment crept up to 4.1% while inflation remained steady at 2.4%.

Deterra Royalties's lithium asset Thacker Pass achieved the Final Investment Decision stage. Woodside Energy sold a 40% stake of Louisiana LNG Infrastructure to Stonepeak, an infrastructure and real assets investment firm. The ACCC cleared Woolworths to acquire Beak & Johnston, a manufacturer of ready meals and pastries. Macquarie Group sold its North American and European asset management businesses with \$285bn funds under management to Nomura for \$2.8bn. Evolution Mining reiterated FY25 guidance despite a slight fall in quarterly production. Pilbara Minerals reported a drop in production due to the impact of a severe tropical cyclone and mothballing one of its plants. Telix Pharmaceuticals announced continued strong growth for its flagship product Illuccix. ResMed received a tariff exemption from the US government for its Australian and Singapore manufactured products. Fortescue reiterated its FY25 production targets as it reported lower costs in Q3.

Major relative portfolio exposures were medical devices and technology stocks with less portfolio weight in major banks and property.

## Australian Eagle Portfolio: Top Ten Holdings

Stock	4/30/2025
Commonwealth Bank Ltd	8.75%
QBE Insurance Group Ltd	6.00%
Cochlear Ltd	6.00%
Rio Tinto Ltd	5.75%
ASX Ltd	5.00%
CSL Ltd	5.00%
Macquarie Group Ltd	4.75%
Xero Ltd	4.75%
Wesfarmers Ltd	4.00%
Dexus Ltd	3.75%

\*\*Benchmark is S&P/ASX100 Accumulation Index

\*Performance figures exclude Australian Eagle's fees. Australian Eagle portfolio inception date is 7th February 2005.

## Portfolio Commentary

### Positives:

ASX - The share price outperformed as increased trading volumes from market volatility boosted revenue.

WES - The share price rose after announcing Bunnings' entry into the auto accessories market.

XRO - The share price rose with large US technology stocks.

### Negatives:

PLS - The share price fell with the lithium price.

SLX - The share price fell amid broader uranium sector softness.

WEB - The share price fell after Flight Centre downgraded its outlook due to lower corporate and consumer confidence in the US.

Disclaimer: This communication is issued by Australian Eagle Asset Management Pty Ltd ABN 89 629 484 840 Corporate Authorised Representative of Alleron Investment Management Pty Ltd AFSL 278856 Suite 301, Level 3, 161 Walker Street, North Sydney NSW 2060. This information does not constitute a recommendation, offer or solicitation to buy or sell any securities. It reflects Australian Eagle's Model Portfolio at the end of the month stated and Australian Eagle's views at the date of preparation. Both the Model Portfolio and Australian Eagle's views are subject to change without notice. Past performance figures are no guarantee of future returns. Date of preparation: 05 May 2025.