Sunbird AE **Income** Portfolio Performance Report

As of 31/10/2026

Sunbird Portfolios®

Description

A diversified portfolio of around 15-20 quality stocks, selected from the S&P/ASX 200 Industrials Index, with a focus on income first and capital growth second.

Portfolio Objective

To add 1-2% p.a. in value over the S&P/ASX 200 Industrials Index, with a lower risk profile than the benchmark.

Investment Philosophy

- Quality, Value, High Conviction, Defensive

Risk Limits

Min/Max stock weight: 2.5%/10.0%

Maximum sector weight: 35.0%

Maximum cash weight: 10.0%

Minimum ASX 100 exposure: 80.0%

Minimum market cap: $1bn

Snapshot

Inception Date	31/08/2018
Benchmark	S&P/ASX 200 INDUSTRIAL TR AUD
Dividend Yield	4.0%
# of Holdings	18
Ave Market Cap ($m)	30,781

Portfolio Metrics

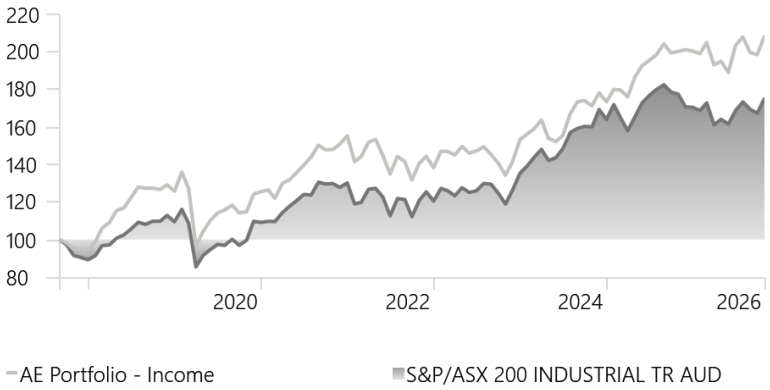
Total Return (p.a.)	9.4%
Excess Return	2.3%
Portfolio Volatility (p.a.)	16.0%
Beta	0.99
Correlation	88.8%
Sharpe Ratio	0.44
Tracking Error	5.4%
Up Capture Ratio	102%
Down Capture Ratio	91%
Bear Beta	1.05

Performance

	1M	3M	1Y	3Y	5Y	7Y	Inception
AE Portfolio - Income*	5.2	0.4	4.3	15.9	7.1	7.4	9.4
S&P/ASX 200 Industrials	4.9	1.2	-1.1	13.9	6.2	6.9	7.1

Investment Growth

Time Period: Since Common Inception (1/09/2018) to 31/10/2026



Sector Allocation



	%
Financials	30.9
Real Estate	14.8
Industrials	10.2
Communication Services	10.1
Healthcare	9.8
Consumer Discretionary	9.6
Consumer Staples	9.3
Utilities	5.3

Top 10 Holdings

	Weight
Sonic Healthcare Ltd	9.8%
Commonwealth Bank of Australia	7.9%
ANZ Group Holdings Ltd	7.6%
Wesfarmers Ltd	7.1%
Challenger Ltd	5.6%
Origin Energy Ltd	5.3%
Brambles Ltd	5.2%
CAR Group Ltd	5.2%
Charter Hall Group	5.2%
Westpac Banking Corp	5.0%

*Gross performance before fees and franking credits. Inception date 31/08/2018. Past performance is not a reliable indicator of future performance. Sunbird only provides general financial product advice, not personal advice. Director holdings on website.

Source: Morningstar Direct

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Portfolio Commentary

The Sunbird Income portfolio gained 5.2% during the month, outperforming the benchmark by +0.3%. The portfolio has been on a stellar run in recent years, having generated alpha of +5.4% on the rolling year and +2.3% p.a. since inception. Performance is ahead of the benchmark on all time frames, despite an overweighting to interest-rate-sensitive stocks, whose performance has been patchy in recent years. The current yield of the portfolio is **4.0%** or **5.1%** including franking credits.

CGF, ORG and CBA were the primary contributors in October. CGF received an $11.80/share takeover offer by its largest shareholder, TAL Daiichi Life. The share price was trading at $9.85 at the time of the announcement and rallied accordingly. ORG rallied alongside most energy stocks as energy prices moved higher during the month. CBA has shown a level of resilience that continues to surprise us, with the stock gaining over 10% during the month.

COL, SGP and WES were the primary detractors. COL fell after an underwhelming update to FY27 guidance relative to WOW. SGP and WES both fell on the back of rising interest rates and expectations of another RBA rate hike in November, which was duly delivered. Interest-rate-sensitive stocks generally struggled during the month.

Top Contributors

Time Period: 1/10/2026 to 31/10/2026

	Total Return	Active Weight	Contribution to Portfolio Return	Contribution to Excess Return	Active Return
Challenger Ltd	18.3%	4.3%	0.9%	0.8%	0.53
Origin Energy Ltd	11.4%	2.2%	0.6%	0.2%	0.00
Commonwealth Bank of Australia	10.4%	7.5%	0.8%	0.8%	0.28
Brambles Ltd	9.6%	5.0%	0.5%	0.5%	0.52
CAR Group Ltd	9.5%	3.8%	0.5%	0.4%	0.22
Charter Hall Group	9.3%	5.0%	0.5%	0.5%	0.26
ANZ Group Holdings Ltd	6.5%	-2.5%	0.5%	-0.2%	0.00
Westpac Banking Corp	5.0%	-3.9%	0.2%	-0.2%	0.01
Transurban Group	4.5%	5.0%	0.2%	0.2%	0.27
JB Hi Fi Ltd	3.7%	1.4%	0.1%	0.1%	0.00

Top Detractors

Time Period: 1/10/2026 to 31/10/2026

	Total Return	Active Weight	Contribution to Portfolio Return	Contribution to Excess Return	Active Return
Coles Group Ltd	-7.3%	0.5%	-0.4%	0.0%	0.10
Stockland Corp Ltd	-0.2%	5.0%	0.0%	0.0%	-0.21
Wesfarmers Ltd	0.1%	7.5%	0.0%	0.0%	-0.28
Telstra Group Ltd	2.5%	-2.4%	0.1%	-0.1%	0.03
Macquarie Group Ltd	2.6%	5.0%	0.1%	0.1%	-0.21
Woolworths Group Ltd	2.6%	5.0%	0.1%	0.1%	0.28
Charter Hall Long WALE REIT Stapled (2 Units)	3.0%	5.0%	0.2%	0.2%	-0.05
Sonic Healthcare Ltd	3.1%	8.8%	0.3%	0.3%	-0.49
JB Hi Fi Ltd	3.7%	1.4%	0.1%	0.1%	0.00
Transurban Group	4.5%	5.0%	0.2%	0.2%	0.27

Source: Morningstar Direct

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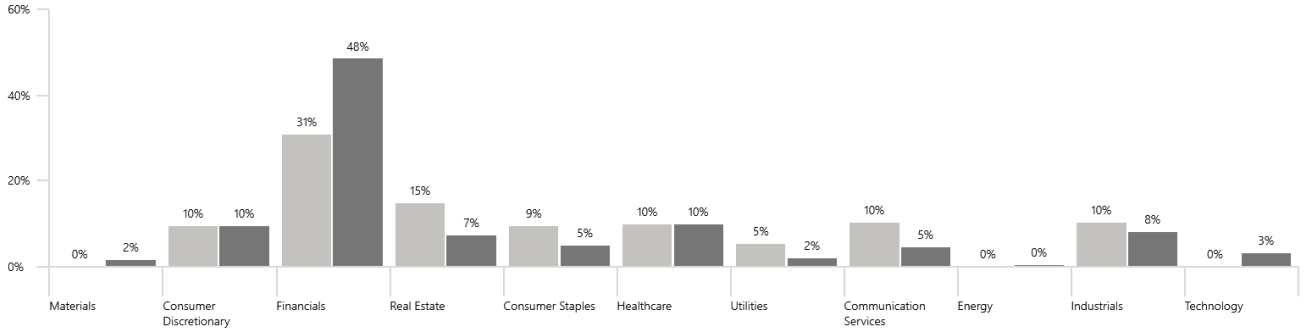
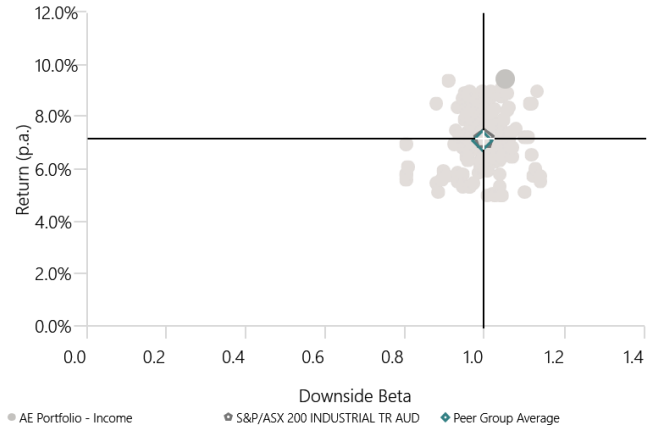
Sector Exposure



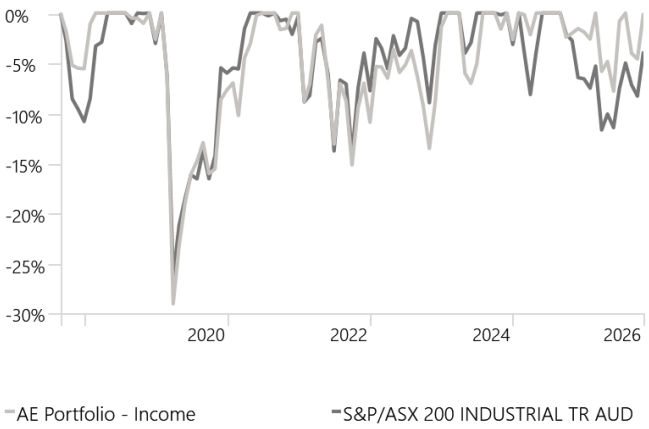
AE Portfolio - Income

S&P/ASX 200 INDUSTRIAL TR AUD

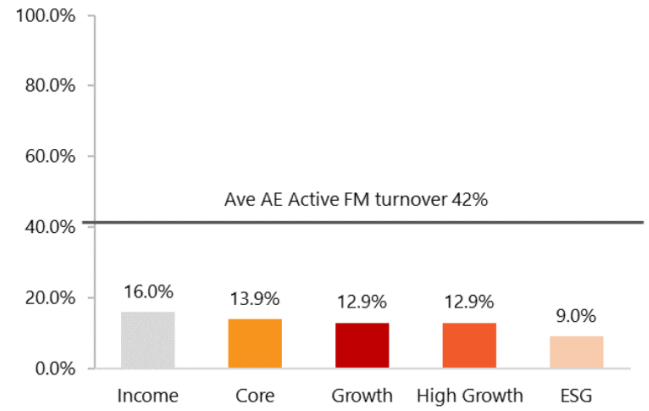
Risk vs Reward



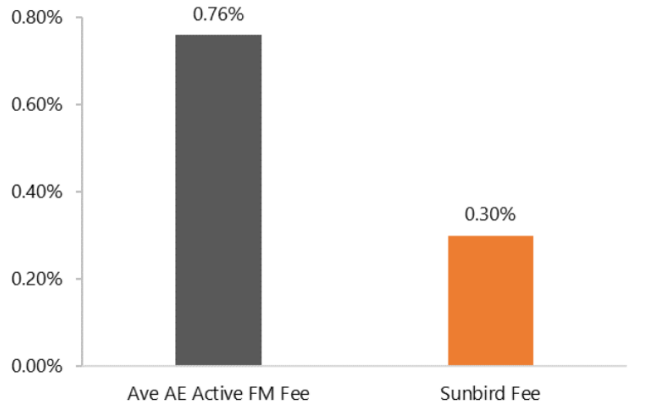
Drawdown



Turnover



Fees



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