

# Performance report | 30 April 2025

## Paragon Australian Long Short Fund

### Net returns

	1 mth	3 mths	6 mths	Financial YTD	1 yr	2 yr p.a.	3 yr p.a.	5 yr p.a.	Net return p.a.	Total net return
Fund*	-2.2%	32.6%	5.3%	92.3%	91.5%	36.6%	7.6%	19.6%	11.8%	289.6%
ASX All Ordinaries Accum. Index	3.6%	-4.0%	0.7%	7.1%	8.8%	9.4%	6.7%	12.4%	8.3%	164.9%
ASX Small Ords. Accum. Index	1.8%	-4.6%	-2.0%	5.2%	3.7%	5.5%	0.3%	7.7%	5.1%	83.2%

\* Performance figures are net of fees and expenses. Total Net Return is since inception on 1 March 2013. Past performance is not indicative of future performance. While focusing on the resource and industrial sectors, the Fund has the flexibility to invest in a wide range of listed equities and derivatives across Australian and global equity market indexes and is not constrained to any benchmark or index.

### Overview

The Fund returned -2.2% after fees in April amid wildly volatile markets from global trade tensions. Global Indices were mixed: S&P500 -0.8%, Russell 2000 -2.4%, Copper -2.2%, Gold +6.6% and Silver +3.3%. Local Indices were also mixed: All Ords AI +3.6%, Small Ords AI +1.8% and ASX300 Resources AI -0.3%. St Barbara, Spartan, Discovery Silver and Turaco performed well for the Fund, however more than offset by declines in Ora Banda, and our other Silver and Copper holdings.

The US\$ declined -4.4% and US 10yr bonds -5bps. Gold was +5.3% higher, another record monthly close. Silver fell -4.3%, Oil -15.5% & Copper -9.4%. More gold M&A with major Goldfields to acquire Golden Road for \$3.7b, implying an EV/Production of ~A\$16,000/oz – 50-100% higher than our producer stock picks.

### Market Insights: [WGC & China gold update](#)

The World Gold Council (WGC) released their 1Q25 update. Central banks (CB) bought 244t of gold in 1Q25, continuing the ~1,000t p.a. pace seen over the last 3 years. As discussed previously, a strong demand driver of the gold bull cycle has been CB gold purchasing rates, 2022-2024 levels more than double that of 2010-2021 levels, as illustrated in Figure 1 in green.

China's CB increased its gold reserves for the 6th month in a row – holding a total of 2,295t. China has bought 30t in the past six months, despite repeated all-time high gold prices. China's gold reserves (in US\$) are a record 6.8% of its official reserves, up from 4.9% a year ago.

A sharp revival in gold ETF inflows fuelled a more than doubling of total investment demand to 552t (+170% yoy); its highest since 1Q22. China continues to lead global buying of gold. Inflows into China's gold ETF's totalled 70t in April alone, a new monthly record and

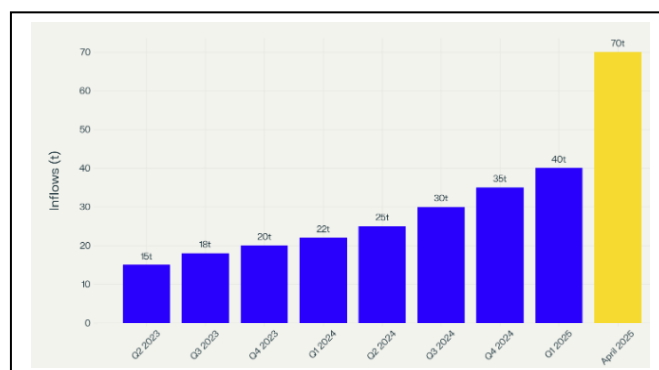
already surpassing any previous quarter, as illustrated in Figure 2. China's share of the global gold ETF has doubled to 6% since the start of the year, with Chinese demand over the last month representing more than half of global gold ETF inflows.

**Figure 1: 5x increase in CB demand, continues in 1Q25.**



Sources: GS, World Gold Council, CFTC, Bloomberg

**Figure 2: Strong Chinese gold ETF buying continues**



Strong gold investment demand continues to provide a solid tailwind to the Fund's gold stock picks.

## Fund positioning and risk metrics

Feature	Information
Fund size	\$70.4m
Longs	29
Shorts	7
Net exposure	128%
Beta-adj net exposure/Average (rolling 12mths)	54%/81%
Gross exposure	185%
Cash	-28%
Index futures	0%
Global (as % FUM)	35%
Unlisted (as % FUM)	5.0%
Correlation	0.40
% positive months	59%
Up-down capture	102%/54%
Liquidity (% saleable inside 10BD)	86%

## Unit pricing

	\$
NAV (mid-price)	\$2.8978
Entry price	\$2.9022
Exit price	\$2.8935

## Fund facts

Feature	Information
APIR code	PGF0001AU
Investment Manager <sup>1</sup>	Paragon IM Pty Ltd
Responsible Entity <sup>1</sup>	Bennelong Funds Management Ltd
Strategy	Aust Equities L/S (long-bias), Fundamental, Concentrated. Global and unlisted permitted.
Objective	>10% p.a. over 5yrs
Structure	Unit trust
Domicile	Australia
Pricing/Applications/Redemptions	Monthly
Min. Investment	\$25,000
Min. Additions	\$5,000
Min. Redemptions	\$10,000
Fund Administrator	MUFG Corporate Markets (formerly Link Fund Solutions)
Prime Broker/Custodian	UBS

## How to invest

The Fund is open to investors directly via the PDS. Applications can be made by completing an Application Form (available on BFML's website [www.bennelongfunds.com](http://www.bennelongfunds.com) or by contacting Client Experience) and forwarding it to the Administrator at the address shown on the Application Form.

## Get in touch



[paragonfunds.com.au](http://paragonfunds.com.au)



[client.experience@bennelongfunds.com](mailto:client.experience@bennelongfunds.com)



1800 895 388 (AU) or 0800 442 304 (NZ)

<sup>1</sup> The Paragon Australian Long Short Fund was launched on 1 March 2013 by Paragon Funds Management Ltd, which acted as both Responsible Entity and Investment Manager of the Fund. The above performance data relates to this strategy. Bennelong Funds Management Ltd assumed responsibility as Responsible Entity on 18 December 2024 and appointed Paragon IM Pty Ltd as Investment Manager of the Fund. For performance history relating to this date, please contact Client Experience on 1800 895 388 (AU) or 0800 442 304 (NZ) or [client.experience@bennelongfunds.com](mailto:client.experience@bennelongfunds.com).

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