



Monthly Performance Commentary, April 2026

Moreton Financial Model Portfolio	ASX 200	ACWI index
-0.38%	2.18%	-8.10%

Global equity markets recovered strongly in April, led by US and tech heavy indices. The S&P 500 posted its best monthly performance since November 2020, gaining 10.5%, with MSCI ACWI up 8.1% and the ASX 200 +2.18%. The Moreton Financial Model Portfolio returned (0.38%) for the month, underperforming the major indices.

The Australian dollar strengthened against the USD through April, partly reflecting the rate differential between the RBA and the Fed. For the model portfolio, a positive total portfolio return of +\$294.64 was offset by a \$422.54 FX drag.

The relative underperformance was largely due to Cochlear (ASX: COH), a newly added position to the model portfolio. Cochlear declined 44.4% for the month following an earnings result that missed guidance and revealed margin higher pressures than the market had anticipated.

This has served as a reminder, catching a falling knife can be difficult. A stock that has halved has not necessarily found the floor. That said, the structural case for Cochlear has not changed, and Healthcare stocks were also broadly sold off globally through April.

Portfolio Performance April 2026

Ticker	Sector	Ccy	Return %	G/L (AUD)	CTR %
PWH	Industrials	AUD	+0.58%	\$9.00	+0.03%
NHC	Energy	AUD	(6.64%)	(\$382.20)	(1.22%)
IFT	Utilities	AUD	+6.03%	\$208.80	+0.67%
APE	Consumer Disc.	AUD	+6.67%	\$112.50	+0.36%
IPG	Industrials	AUD	+28.60%	\$562.50	+1.80%
MIN	Materials	AUD	+18.84%	\$222.20	+0.71%
SPY	ETF	USD	+9.42%	\$110.69	+0.35%
IWM	ETF	USD	+9.71%	\$199.13	+0.64%
FCX	Materials	USD	(3.15%)	(\$192.74)	(0.62%)
NVS	Health Care	USD	(6.42%)	(\$167.42)	(0.54%)
AER	Industrials	USD	+0.68%	(\$30.82)	(0.10%)
RR	Industrials	GBP	(2.95%)	(\$97.82)	(0.31%)
COH	Health Care	AUD	(44.41%)	(\$675.90)	(2.16%)
BABA	Consumer Disc.	USD	+3.96%	\$3.24	+0.01%
CASH		AUD			
TOTAL			(0.38%)	(\$118.84)	(0.38%)

Performance vs Benchmarks

	Jan-26	Feb-26	Mar-26	Apr-26	ITD
Moreton Fund	+3.27%	+4.36%	(3.24%)	(0.38%)	+3.89%
S&P 500 (SPX)	+1.37%	(0.90%)	(5.13%)	+10.50%	+5.31%
ASX 200 (XJO)	+1.78%	+3.70%	(7.82%)	+2.18%	(0.59%)

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	Jan-26	Feb-26	Mar-26	Apr-26	ITD
MSCI ACWI	+1.38%	+0.50%	(7.13%)	+8.10%	+2.29%
Value added vs S&P 500	+1.90%	+5.26%	+1.88%	(11.10%)	(1.42%)
Value added vs ASX 200	+1.49%	+0.66%	+4.58%	(1.81%)	+4.48%
Value added vs MSCI ACWI	+1.89%	+3.86%	+3.88%	(8.50%)	+1.60%

Contributors

IPD Group (IPG) +28.60%

IPG was April's standout, recovering sharply from March. The rebound reflects a rerating of small cap industrials as supply chain fears moderated. IPG's underlying customer base, data center and infrastructure build outs remains structurally well supported. We previously documented our thesis for this position in January via our Research & Insights page.

Mineral Resources (MIN) +18.84%

MIN rebounded from an early month low of \$52 to close above \$63. The rally was driven after release of the company's Q3 FY26 quarterly. The report revealed a 92% lift in realised lithium prices to US\$2,105 per m/t. Despite early quarter constraints caused by tropical cyclones, the recovery gave management the confidence to issue full year production upgrades across the core business pillars, whilst declaring a \$400 million reduction in net debt to \$4.5 billion.

Infratil (IFT) +6.03%

IFT delivered a steady return for the month. The primary driver was a 7.2% quarterly revaluation jump in its 49.7% owned CDC Data Centres. Which has expanded its operating capacity to AI demands. Additionally, Infratil finalised the sale of its Fortysouth mobile tower assets. Adding \$200 million to bring the total IFT cash war chest to \$600 million, earmarked for future projects.

Detractors

Cochlear (COH) (44.41%)

COH was the month's largest detractor by some margin for the Model Portfolio. The sell off was triggered by a 37% guidance downgrade to its full year net profit, which management slashed due to a combination of slowing clinical demand in the US and Europe, surgical delays from weak consumer sentiment, and a \$25 million foreign exchange headwind. In response, major brokers such as Macquarie and Morgans have cut their price targets by half to around \$115. The market appears to have stripped the stock of its defensive status.

The original investment thesis, entered at \$195.70 following February's 17.5% decline, was that the selloff was an overreaction to a short term margin issue. April's result has challenged that view. However, we believe the structural case for Cochlear is ultimately strong. Cochlear still commands a 50% global market share in a sector protected by massive intellectual property and clinical barriers to entry. Additionally the addressable market continues to expand (currently only 3%~) as diagnosis rates improve in developing economies.

Historically, Cochlear has commanded a premium valuation, trading at a 10 year median P/E multiple of 46.70 times earnings. The recent sell off has compressed its trailing P/E multiple down to 19x, marking a 10 year low and a 50% discount relative to its historical averages.

Portfolio Construction and Relative Performance

The model portfolio has achieved a +3.89% inception to date return, outperforming the ASX 200 and MSCI ACWI through a commodities and infrastructure tilt that avoided US tech exposure during a volatile Q1. While this positioning led to April underperformance during a tech driven rally, it has enabled positive absolute returns. The strategy remains focused on structural themes rather than short term sentiment. The portfolio exits April with 14 positions, a cash balance of \$292.97, and a NAV of \$31,166.14.