Leadenhall
Capital Partners

Performance report | 31 March 2026

LCP Insurance Linked Securities Fund - AUD Class

Net returns

	1 mth	3 mth	6 mth	Since inception[1]
Fund	0.30	1.06	3.20	7.17

Performance figures are net of fees and expenses.
Past performance is not indicative of future performance.

Fund commentary

The fund's return has been driven by the carry yield of the investments and the mark to market price changes that have occurred over the month. With no significant catastrophe event materially impacting the Cat Bond market in March and with ongoing primary market issuance, traditional seasonal widening in spreads continued, leading to an overall negative price performance for the Cat Bond market as evidenced by the Swiss Re Cat Bond Price Return Index (a measure of the movement of secondary bid indications as provided by Swiss Re Capital Markets in their pricing indications to investors) that generated -0.21% for the month of March.

There was no major natural catastrophe in March, and despite the increased volatility observed in the wider capital market, the Cat Bond market has remained unaffected so far by the conflict in the Middle East, continuing to demonstrate the benefits of the low correlation of the asset class to the wider market.

The secondary market had yet another active month of trading with 153 trades reported in TRACE (the Trade Reporting and Compliance Engine used by the Financial Industry Regulatory Authority to provide transparency to the U.S. over-the-counter fixed-income markets) as investors continued to rebalance portfolios following an active primary market issuance. We saw 11 new property catastrophe bonds coming to the market in March for a total USD 1.6bn notional, closing a record USD 6bn quarter issuance including 4 new first-time sponsors. Looking only at Rule 144A property catastrophe bonds, the amount of risk capital outstanding reached a new record of almost USD 61.5bn at the end of Q1 2026. This healthy pipeline has been well received by investors as we saw most issuances able to increase their targeted size while at the same time tightening their initial price guidance.

On the traditional reinsurance market, insurers renewing at April 1 (the main renewal for Japan, Korea and India) achieved savings in all regions, building on the competitive conditions seen at January 1. High levels of industry capital, competition from ILS markets and relatively benign catastrophe losses drove price reductions but retentions for core programs held well. April also sees several large U.S. insurers renew ahead of the midyear U.S. renewal in June and July. Overall insurers took advantage of conditions to increase risk transfer to the reinsurance market, purchasing higher limits, as well as extending catastrophe towers to support growth expectations. This ultimately led to an increase of close to 10 percent for demand for the renewal period globally and was met with abundant capacity. Despite this moderation, premiums remain 66% higher than in 2017, the most recent market bottom (as measured by the Guy Carpenter US property cat Rate-on-Line Index). Ahead of the mid-year renewals for U.S. insurers (in particular for those in windstorm-exposed southern U.S. states), Florida-based insurers are expected to purchase an additional USD 5 to 7 billion of limit to support the ongoing transfer of homeowner policies from Florida's insurer of last resort, Citizens, to private insurers, as well as reflect recent model changes and inflation. Brokers expect property catastrophe reinsurance supply to more than satisfy this additional demand and favorable conditions to remain.

Fund details

Feature	Information
Investment objective	To deliver risk adjusted absolute returns by investing in a portfolio of insurance linked securities through the Leadenhall UCITS ILS Fund PLC (the 'Master Fund'). The Master Fund in turn invests in insurance linked bonds (being catastrophe bonds) and other permitted insurance linked investments, being preferred shares, closed-ended fund shares and exchange based derivatives (together 'ILS').
Responsible Entity/ Issuer	Bennelong Funds Management Ltd ABN 39 111 214 085
Investment Manager	Bennelong Funds Management Ltd ABN 39 111 214 085. At the Master Fund level, the investment manager is Leadenhall Capital Partners.
Inception date	4 April 2025
Recommended investment period	Long term (5 years +)
Minimum investment	$400,000 (AUD)
Additional investment	$150,000 (AUD)
Buy/Sell spread	+/-0.20%
Entry/Exit fees	Nil
Distributions	Generally paid on a quarterly basis
Management fees and costs[2]	1.20%

How to invest

The Fund is open to investors via the Application form (available on the website), or the following platforms.

- Mason Stevens
- Netwealth

Get in touch

bennelongfunds.com

client.experience@bennelongfunds.com

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

1 Inception date is 4 April 2025

2 Management fees and costs consist of annual management fee rate and capped recoverable expenses. For a detailed split of the fees and costs, please refer to the fund(s) IM.