

Performance report | 31 May 2026

LCP Insurance Linked Securities Fund - AUD Class

Net returns

	1 mth	3 mth	6 mth	1 year	Since inception ¹
Fund	0.35%	0.90%	2.08%	7.59%	7.82%

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

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	1.43%

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 May and with sustained 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 -0.26% for the month of May (compared to -0.37% in April).

There was no major natural catastrophe in May, and despite the ongoing volatility observed in the wider capital market, the Cat Bond market has remained unaffected by the conflict in the Middle East. Early in June, Tropical Storm Jangmi which formed over the open waters of the Philippine Sea passed over the Ryukyu Islands and continued to track parallel to the southern coast of Japan, bringing strong winds and rainfall to areas along the east coast. At the time of writing this newsletter, no impact is expected on the Cat Bond market. As we enter hurricane season for the North Atlantic Basin, forecasters are leaning toward a below-average to near-normal 2026 Atlantic hurricane season. The primary reason being the increasing likelihood of El Niño during the peak months of hurricane season, which typically raises vertical wind shear across the tropical Atlantic and tends to suppress storm formation and intensification. Despite forecasts for a below average activity, a quieter basin does not eliminate risk.

The secondary market had its most active month of trading in 2026 with 293 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 27 new property catastrophe bonds coming to the market in May for a total USD 5.3bn notional, bringing year-to-date issuance to a record USD 14.8bn. Early in June, another USD 1.1bn has been announced. This healthy pipeline has been met with abundant capacity as we saw most issuances able to increase their targeted size while at the same time tightening their initial price guidance.

The 1 June 2026 property-catastrophe Florida reinsurance renewal has now completed with risk-adjusted pricing easing further and at a pace faster than on 1 January and 1 April 2026. Since landmark legal reforms were passed in

December of 2022, the Florida market has continued its positive trajectory, and additional demand was met with abundant capacity supported by sustained underwriting profitability and growth in alternative capital.

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) Product Disclosure Statement (PDS).

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