

Performance report | 31 October 2025

LCP Insurance Linked Securities Fund - AUD Class

Net returns

	1 mth	3 mth	6 mth	Since inception ¹
Fund	0.90%	3.16%	4.85%	4.78%

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. As we are getting closer to the end of the wind season, seasonal mark to market gains were more limited than in the previous months and partially offset by the remarking of one Cat Bond likely triggered by Hurricane Melissa which hit Jamaica towards the end of the month, leading to an overall muted 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 +0.02% for the month of October.

In terms of natural catastrophes, Hurricane Melissa made landfall as a Category 5 hurricane near New Hope, St. Elizabeth Parish in southwestern Jamaica on Tuesday October 28 at around 17:00 UTC. At landfall, Melissa had maximum sustained wind speeds of 185 mph (295 km/h) and a minimum central pressure of 892 hPa. Given the hurricane's intensity and track, it is expected that Jamaica's disaster risk financing mechanisms will be triggered, including its \$150 million IBRD CAR Jamaica 2024 World Bank-facilitated parametric catastrophe bond for which a full payout is expected, providing critical liquidity for post-disaster recovery and rebuilding efforts. The Fund only had a limited exposure to this Cat Bond for a circa -0.05% mark to market impact (compared to -0.29% for the Swiss Re Global Cat Bond Index).

October also saw a pickup in trading activity in the secondary market as investors began to rebalance portfolios with both the wind season coming closer to an end and expectations for a new set of supply to come to the market. As is usually the case at this time of the year, we saw many short-dated names on offer as some investors try to free up cash to purchase new issuance in the primary market.

The primary market saw five tranches of risk being issued for a total USD 900mn notional. Demand was high and all tranches managed to print at tighter spreads and larger sizes than originally targeted. As we move into November an extra USD 935mn has already been announced including one new first-time sponsor. More activity is expected especially as nearly USD 2bn of Cat Bond coverage is maturing before the end of the year and USD 3bn later in Q1 2026. At the time of writing this newsletter, our portfolio managers are continuing the early-stage negotiations on the important 1st January reinsurance and retrocessional renewals. With robust retained earnings from reinsures and ILS investors due to lack of major loss events in the Summer, and with demand growing at a slightly lower pace, conditions are set for a slight reduction in risk adjusted premiums. Generally, we continue to see the reinsurance and capital markets players maintaining discipline on terms and conditions. Overall market conditions continue to remain among the most attractive in recent times which should also support the Cat Bond market.

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.

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