

An aerial photograph of a city skyline at sunset. The sky is a vibrant orange and yellow, with silhouettes of numerous skyscrapers. Some buildings have lights on, and a few have logos visible, such as 'Equinix' and 'Salesforce'. In the foreground, there are lower-rise buildings, a large stadium-like structure, and a bridge. The VanEck logo is in the top left corner.

VanEck®

The most concentrated  
market in the world  
deserves the most  
intelligent allocation

May 2026

## !— IMPORTANT DISCLOSURES

Issued by VanEck Investments Limited ACN 146 596 116 AFSL 416755.

Not personal advice. All investments have risks. Investment performance is not guaranteed by VanEck or index providers.

Read the PDS and TMD, which are accessible at [vaneck.com.au](http://vaneck.com.au).

Refer to the important information at the end of this presentation.

MVW is likely to be appropriate for a consumer who is seeking capital growth and a regular income distribution, is intending to use the product as a core, minor or satellite allocation within a portfolio, has an investment timeframe of at least 5 years, and has a high risk/return profile.

ALFA is likely to be appropriate for a consumer who is seeking capital growth, is intending to use the product as a minor or satellite allocation within a portfolio, has an investment timeframe of at least 7 years, and has a very high risk/return profile.

# Investing is (rightly) regulated

## A complex framework across multiple regulatory regimes

**30+** Commonwealth acts and regulations **PLUS 50+** tax and property acts and regulations

Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)  
 Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument  
 Anti-Money Laundering and Counter-Terrorism Financing Regulations 2008 (Cth)  
 Financial Transaction Reports Act 1988 (Cth) in its remaining operation  
 Autonomous Sanctions Act 2011 (Cth)  
 Autonomous Sanctions Regulations 2011 (Cth)  
 Charter of the United Nations Act 1945 (Cth) and related sanctions regulations  
 Privacy Act 1988 (Cth)  
 Competition and Consumer Act 2010 (Cth), especially consumer law interactions  
 Electronic Transactions Act 1999 (Cth)  
 Personal Property Securities Act 2009 (Cth)  
 Personal Property Securities Regulations 2010 (Cth)  
 Superannuation Industry (Supervision) Act 1993 (Cth)  
 Superannuation Industry (Supervision) Regulations 1994 (Cth)  
 Superannuation Industry (Supervision) (In-house Asset) rules and related instruments  
 Superannuation Guarantee (Administration) Act 1992 (Cth)  
 Superannuation Guarantee Charge Act 1992 (Cth)  
 Superannuation Guarantee Charge Regulations  
 Superannuation (Govt. Co-contribution for Low Income Earners) Act 2003 (Cth)  
 Superannuation (Unclaimed Money and Lost Members) Act 1999 (Cth)  
 Small Superannuation Accounts Act 1995 (Cth)  
 Retirement Savings Accounts Act 1997 (Cth)  
 Retirement Savings Accounts Regulations 1997 (Cth)  
 Superannuation (Resolution of Complaints) Act 1993 (Cth)



.....and these are only  
the commonwealth ones

# Treasury Laws Amendment (Your Future, Your Super) Act 2021 (Cth)

YFYS has been in the news lately

## FINANCIAL REVIEW

[Markets](#) [Equity Markets](#) [Sharemarket](#)

[Print article](#)

— [Opinion](#) | [Jonathan Shapiro](#)

### The hidden cost of the passive investing boom

[Jonathan Shapiro](#) *Senior reporter*



Australian Government



## Your Future, Your Super

Reforms to make your  
super work harder for you

October 2020

[treasury.gov.au](https://treasury.gov.au)

# Unintended consequences

## The AFR article cites three concerns about YFYS

01

### Time horizon tensions

The major problems here are that super funds themselves are growing increasingly uncomfortable with the severe constraints placed upon them to truly invest for the long term. Mid and small caps with significant growth potential over a long period are being overlooked (and thus missed).

---

02

### Risks of risk aversion

“Benchmarking is dulling the wisdom of the Australian share market crowd to properly value its constituents because too much capital is passive and focused on stocks that influence the benchmark.” The article cites the 2025 price rise of CBA to prices that few could justify. Rather than trade opportunistically, Your Future, Your Super is impeding investors' ability to allocate capital as they naturally would.

---

03

### Governance and incentives

A lack of ‘active management’ involvement could lead to less pressure on boards, who sleepwalk on higher prices, but at the cost of efficiency and the potential of better gains.

# Consider a sports analogy

Imagine if teams got kicked from the competition for repeated bad performances



- Wouldn't invest in homegrown talent.
- Neglecting long-term, so the potential of many young stars is overlooked.
- Less innovation and experimentation.
- Outcome obsessed, not focusing on their core.
- Organisations start managing what is measured:
  - fighting for weaker schedules;
  - stat-padding roles;
  - conservative substitutions;
  - transfer activity aimed at cosmetic uplift rather than team quality.
- Fewer real challengers and more concentration
- Could weaken the ecosystem around the league

1		Adelaide Crows	23	72	139.3	18	5	0	2278	1635	W W W W W
2		Geelong Cats	23	68	141.5	17	6	0	2425	1714	W W W W W
3		Brisbane Lions	23	66	114.2	16	6	1	2061	1804	L W L W W
4		Collingwood	23	64	122.4	16	7	0	1991	1627	W L L L W
5		GWS GIANTS	23	64	115.3	16	7	0	2114	1834	W L W W W
6		Fremantle	23	64	109	16	7	0	1978	1815	W W W L W
7		Gold Coast SUNS	23	60	124.9	15	8	0	2173	1740	W W L L W
8		Hawthorn	23	60	120.9	15	8	0	2045	1691	W L W W L
<b>TOP 8</b>											
9		Western Bulldogs	23	56	137	14	9	0	2493	1820	W W W W L
10		Sydney Swans	23	48	97	12	11	0	1845	1902	L W W L W
11		Carlton	23	36	96.7	9	14	0	1799	1861	L L L W W
12		St Kilda	23	36	88.5	9	14	0	1839	2077	W W W W L
13		Port Adelaide	23	36	79.8	9	14	0	1705	2136	L L L L W
14		Melbourne	23	28	93.3	7	16	0	1902	2038	L W L L L
15		Essendon	23	24	69.5	6	17	0	1535	2209	L L L L L
16		North Melbourne	23	22	76.3	5	17	1	1805	2365	L L L W L
17		Richmond	23	20	66	5	18	0	1449	2197	L L L L L
18		West Coast Eagles	23	4	60.1	1	22	0	1466	2438	L L L L L

## As an aside....

The article points out something we have said before:

“

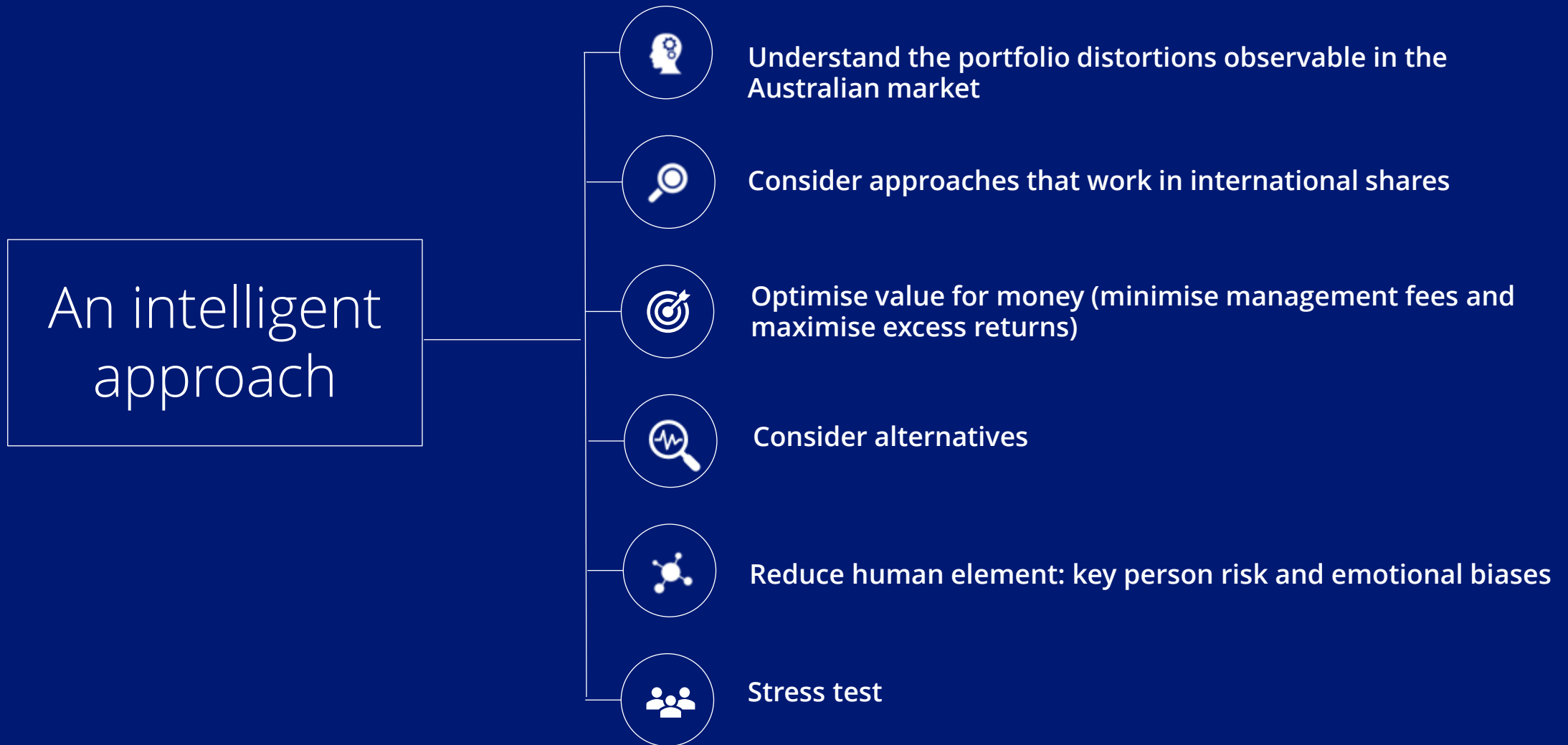
benchmarks were always intended to **measure and evaluate** how well capital has been allocated, **not to drive** the capital allocation process itself.

”



So as investors not bound by YFYS,  
we think there are opportunities.

You need an intelligent allocation



# Portfolio distortions observable in the Australian market

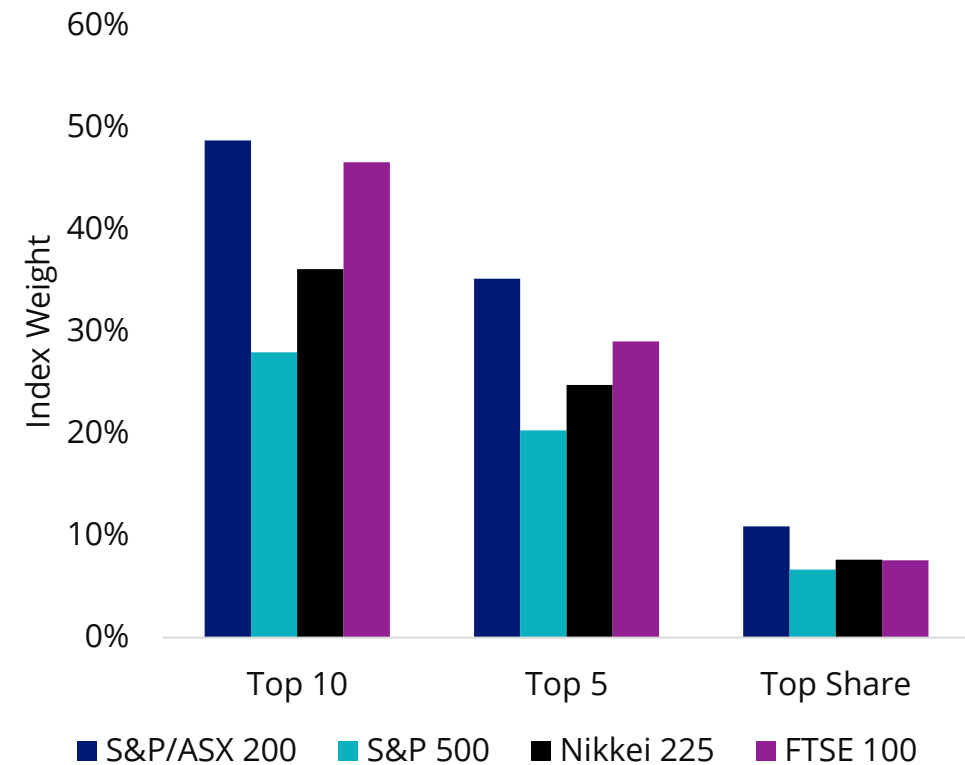


# Constraint 1: Stock concentration

Top 10 holdings have not changed

Top 10 Securities	Weightings S&P/ASX 200 (%)
Commonwealth Bank of Australia	10.89
BHP Group Ltd	9.93
Westpac Banking Corporation	5.24
National Australia Bank Limited	4.93
ANZ Group Holdings Limited	4.21
Wesfarmers Limited	3.21
Macquarie Group, Ltd.	2.78
CSL Limited	2.65
Woodside Energy Group Ltd	2.58
Rio Tinto Limited	2.33
<b>Total</b>	<b>48.74</b>

Major Market Holdings Weight Compare





# S&P 500 Top 10 holdings – Different story

## Healthy rotation of mega caps

### S&P 500 Top 10 Holdings

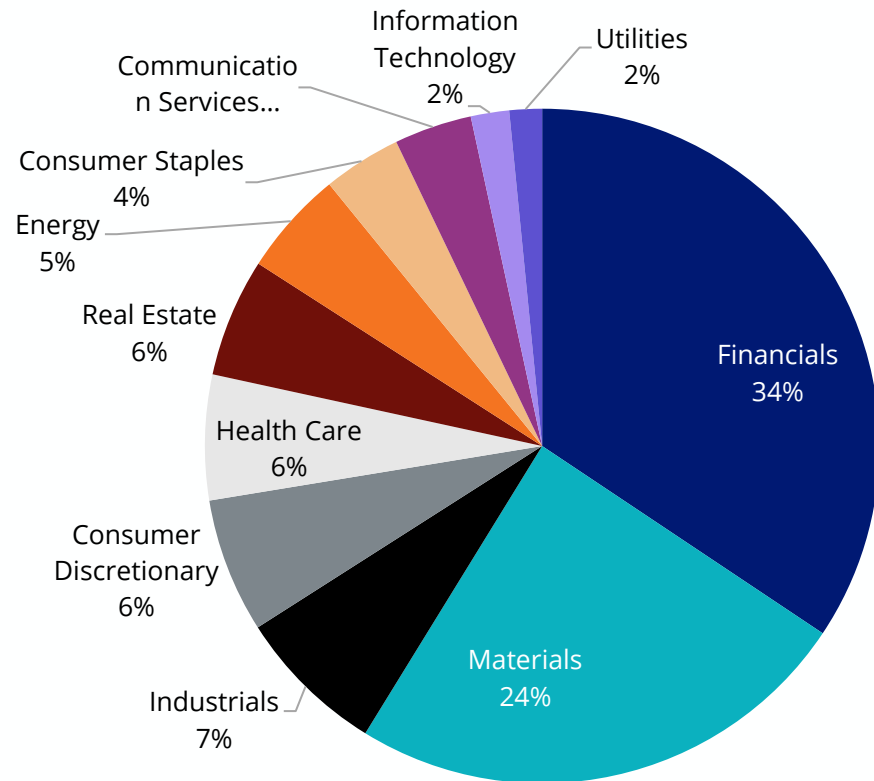
2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
MSFT	GE	GE	GE	XOM	XOM	XOM	XOM	XOM	XOM	AAPL	AAPL	AAPL	AAPL	AAPL	AAPL	MSFT	AAPL	AAPL	AAPL	AAPL	AAPL	AAPL	AAPL	NVDA	NVDA
GE	MSFT	XOM	XOM	GE	DYN	PG	MSFT	AAPL	AAPL	XOM	XOM	XOM	MSFT	MSFT	MSFT	AAPL	MSFT	MSFT	MSFT	MSFT	MSFT	MSFT	NVDA	AAPL	AAPL
XOM	XOM	MSFT	C	DYN	GE	GE	AAPL	BTU	IBM	GE	MSFT	MSFT	XOM	XOM	AMZN	AMZN	AMZN	AMZN	AMZN	AMZN	AMZN	MSFT	MSFT	MSFT	
WMT	PFE	TWX	TWX	C	MSFT	T	BTU	MSFT	CVX	CVX	GE	JNJ	GE	JNJ	FB	BRK	FB	FB	GOOGL	GOOGL	NVDA	AMZN	AMZN	AMZN	
PFE	C	C	MSFT	TWX	T	JNJ	JNJ	GE	MSFT	IBM	JNJ	BRK	JNJ	BRK	BRK	JNJ	BRK	TLSA	TLSA	TLSA	GOOGL	META	GOOGL	GOOGL	
C	TWX	WMT	PG	MSFT	BTU	CVX	PG	CVX	GE	MSFT	CVX	WFC	AMZN	JPM	JNJ	JPM	JPM	GOOGL	GOOG	GOOG	META	TSLA	AVGO	AVGO	
JNJ	WMT	DYN	BAC	BAC	PG	MSFT	IBM	IBM	PG	JNJ	PG	GE	WFC	AMZN	JPM	GOOG	GOOGL	GOOG	FB	BRK	GOOG	GOOGL	GOOG	GOOG	
AIG	INTC	PFE	DYN	PG	CVX	WMT	T	PG	T	T	JPM	PG	BRK	GE	XOM	FB	GOOG	BRK	NVDA	JNJ	TSLA	AVGO	META	META	
IBM	DYN	BAC	JNJ	JNJ	JNJ	DYN	JPM	T	JNJ	PG	WFC	JPM	JPM	FB	GOOG	GOOGL	JNJ	JNJ	BRK	UNH	BRK	GOOG	TSLA	TSLA	
MRK	AIG	JNJ	AIG	PFE	BAC	PFE	GE	JNJ	PFE	PFE	BRK	CVX	FB	T	GOOGL	XOM	V	JPM	UNH	NVDA	JPM	BRK	BRK	BRK	

**Not in current top 10**

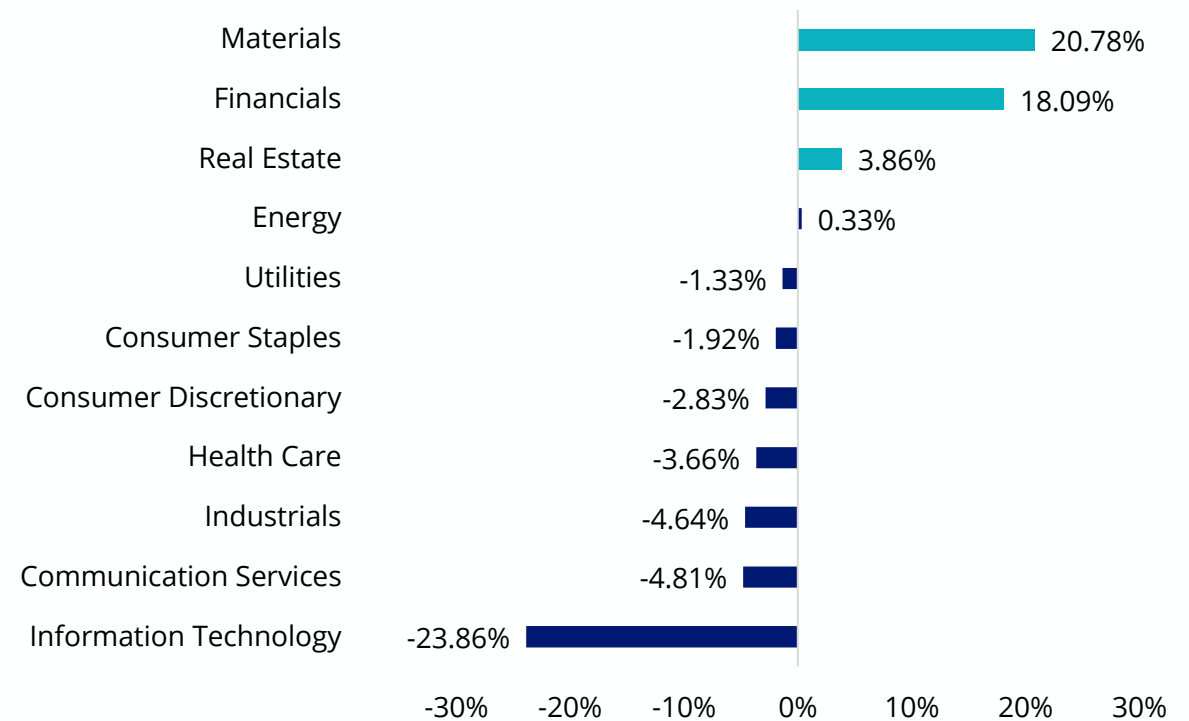
# Constraint 2: Sector concentration

High weighting to financials and materials

**S&P/ASX 200 Sector Weights**



**GICS Sector Weight Differential: S&P/ASX 200 versus MSCI World**



# Constraint 2: Sector concentration

Why a high weighting to financials and materials could be problematic

## Materials

**Commodity price volatility:** Commodity prices can swing dramatically based on supply/demand, geopolitics, and weather. A concentrated position amplifies this volatility.

**Cyclicality:** Materials are a cyclical.

**China dependency:** A slowdown in Chinese construction or manufacturing can affect the entire sector.

**Currency risk:** Many commodities are priced in US dollars, so exchange rate moves affect revenues and costs across the sector at once.

## Banking

**Systemic/contagion risk:** When one fails or faces stress, fear spreads quickly to others (as seen in 2008 and the 2023 regional bank crisis). Concentrated exposure means no escape from the contagion.

**Interest rate sensitivity:** Bank's margins tend to move with interest rate cycles. If rates fall (or rise unexpectedly), the whole sector can be hit.

**Credit cycle risk:** In recessions, loan defaults rise.

**Regulatory & political risk:**— New capital requirements, stress tests, or taxes can hit the whole sector at once.

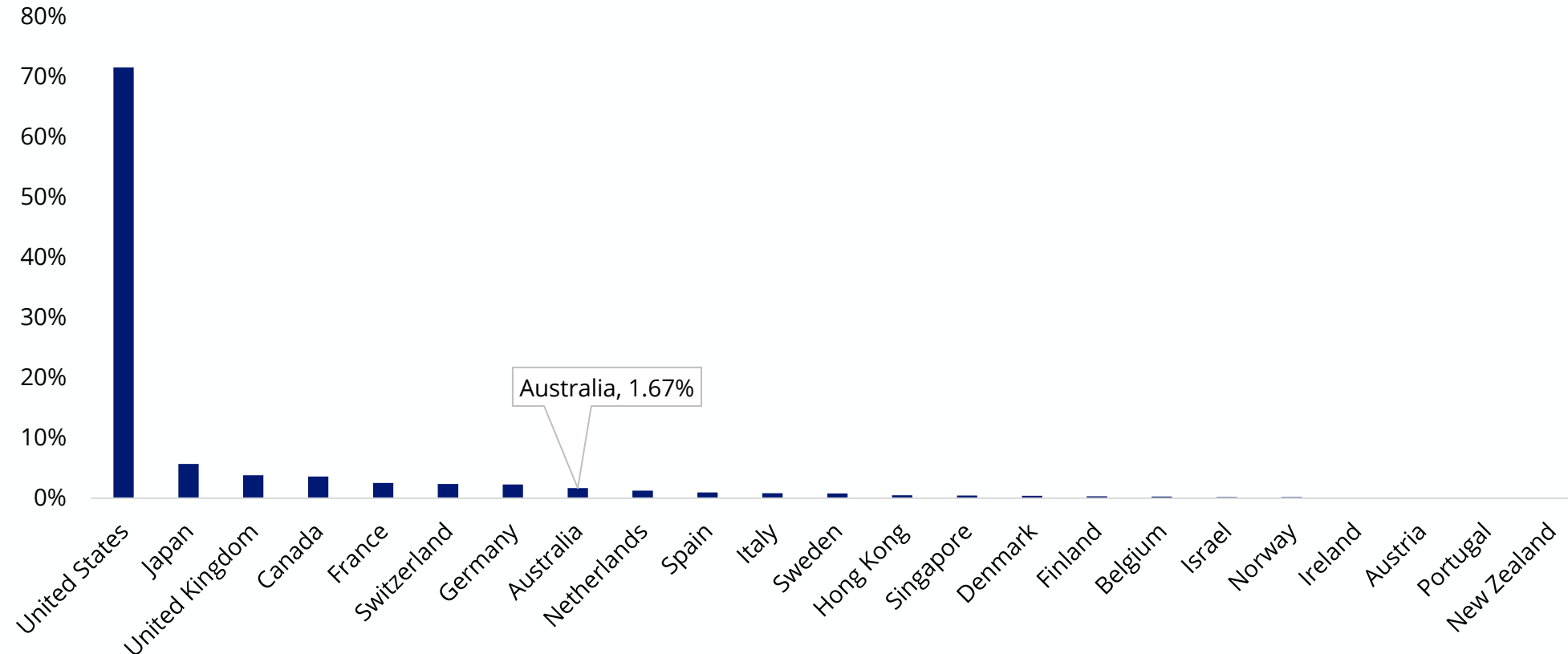
## And they are correlated:

In stress events, materials and bank stocks tend to move together (and often with each other, since banks lend heavily to materials companies).

# Constraint 3: Investment universe size

Australia is ~2 percent of MSCI World

**MSCI World Country Weights**

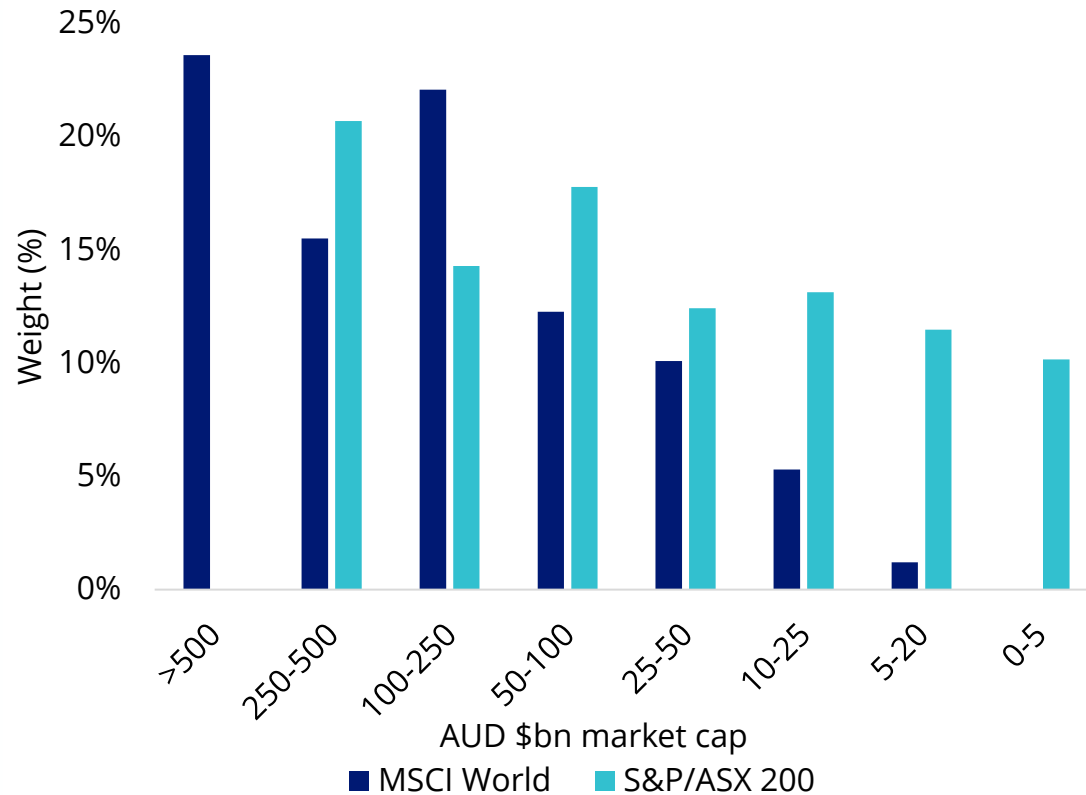


Source: FactSet, as at 31 March 2026

# Constraint 3: Investment universe size

Global is 8x larger than Australian companies

Market capitalisation weighting comparison



Index Comparison

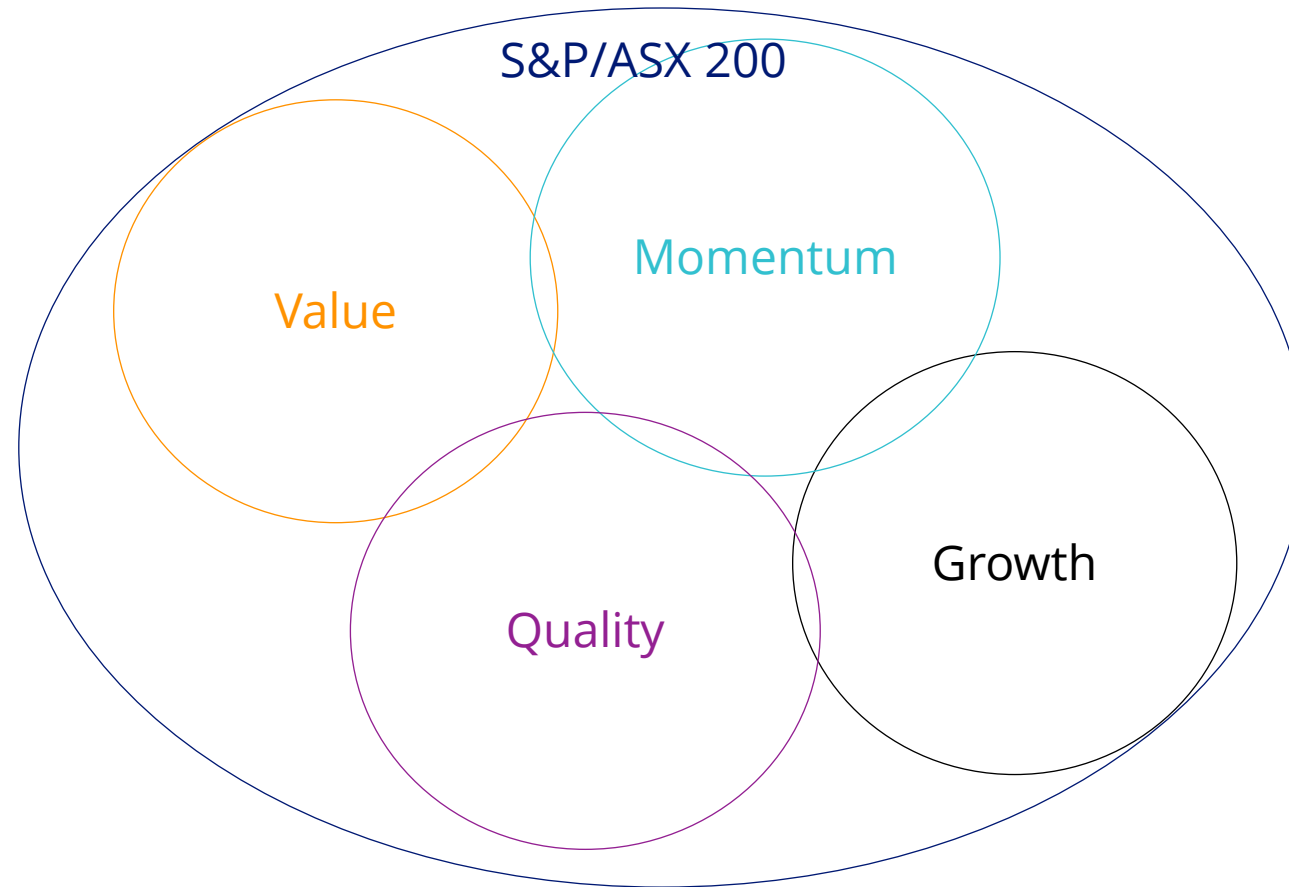
Index	Count	Median Market Cap (\$bn)
MSCI World	~1300	31.1
S&P/ASX 200	200	3.9

Consider approaches that work for international shares?

Can we harvest factor in Australia?

# Practical application

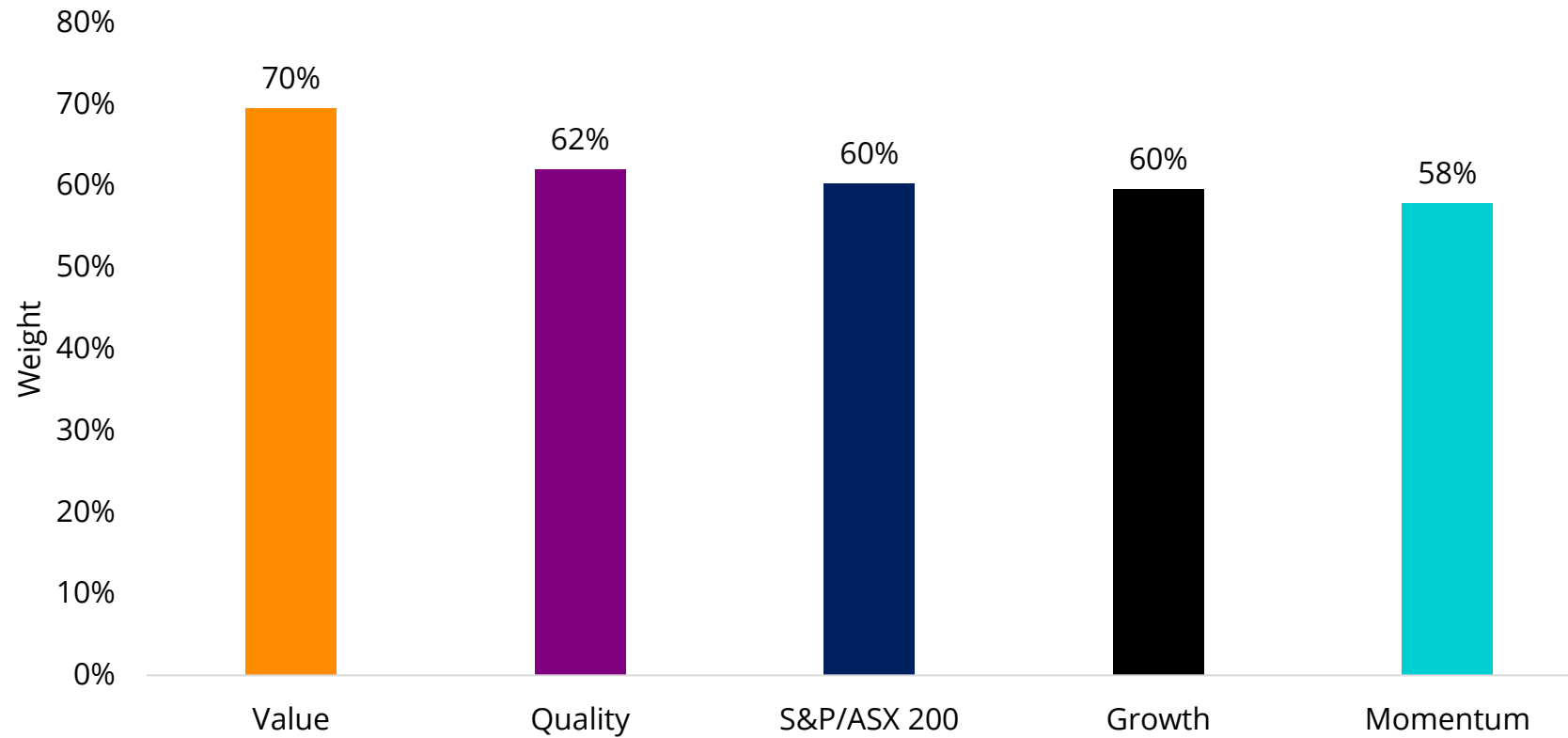
Set of companies with similar fundamentals



# High weighting to large caps

Same results

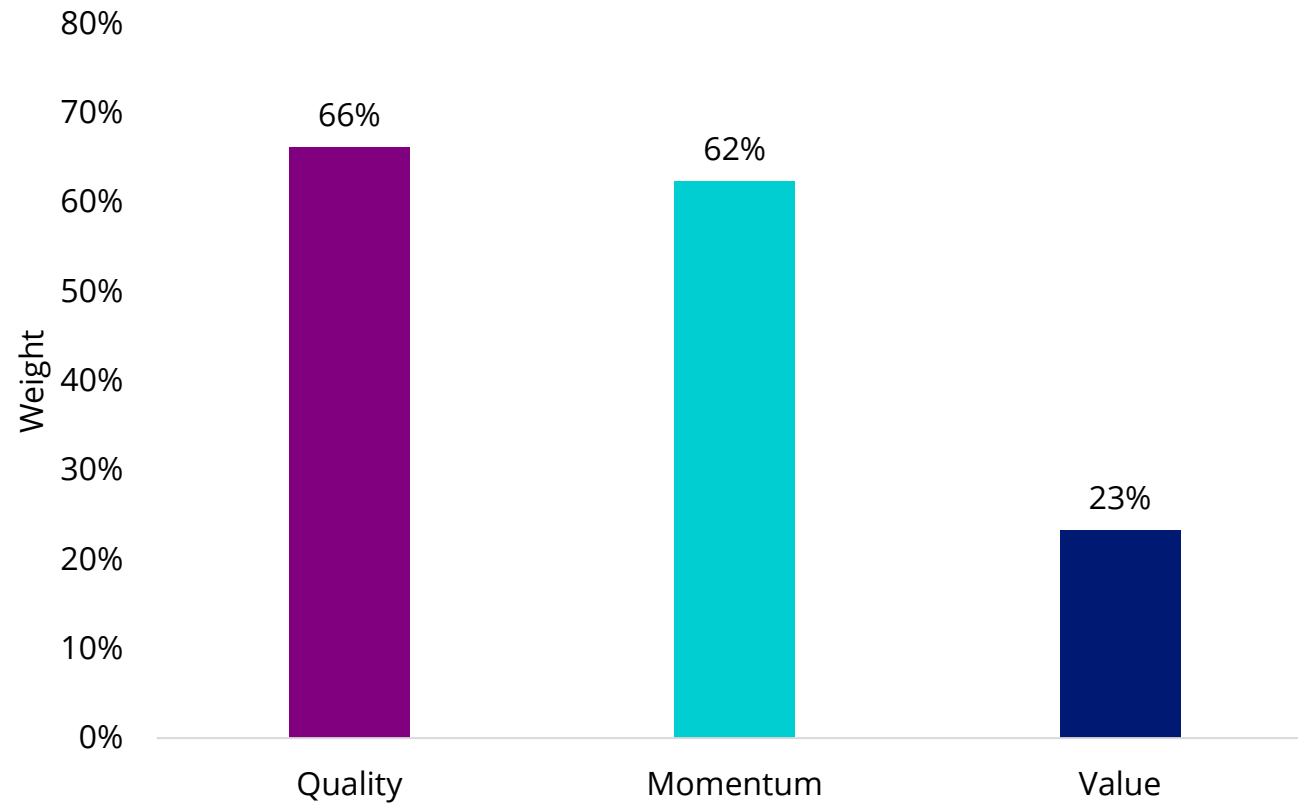
## Weighting to 20 largest Australian companies



# High single factor holdings crossover

## Same results

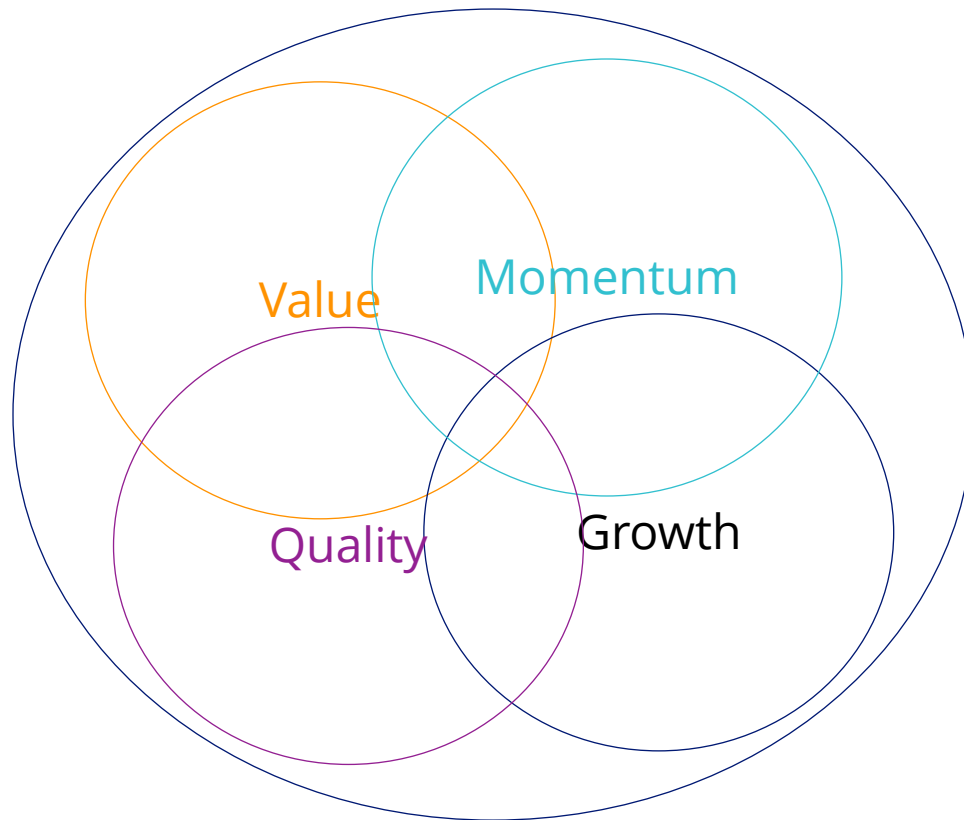
**Percentage growth holdings crossover with single factors**



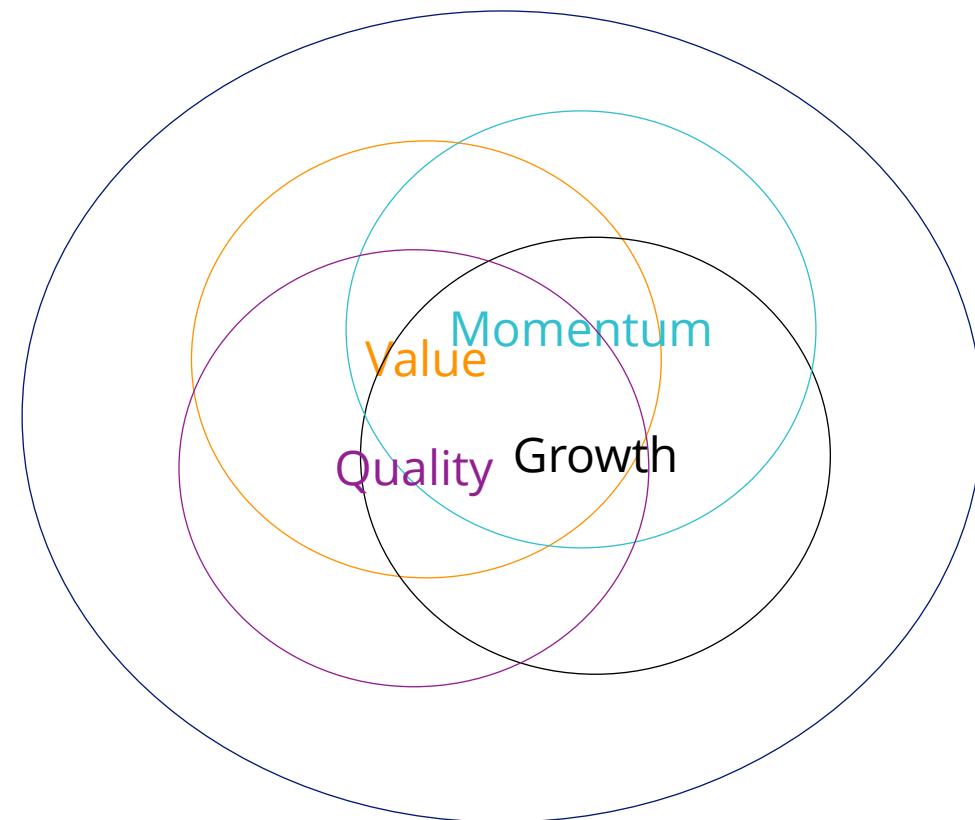
# Outcome in Australia

High holdings crossover. No single factor efficacy.

**Expectation**



**Reality**





Access the opportunities

How have active managers performed?



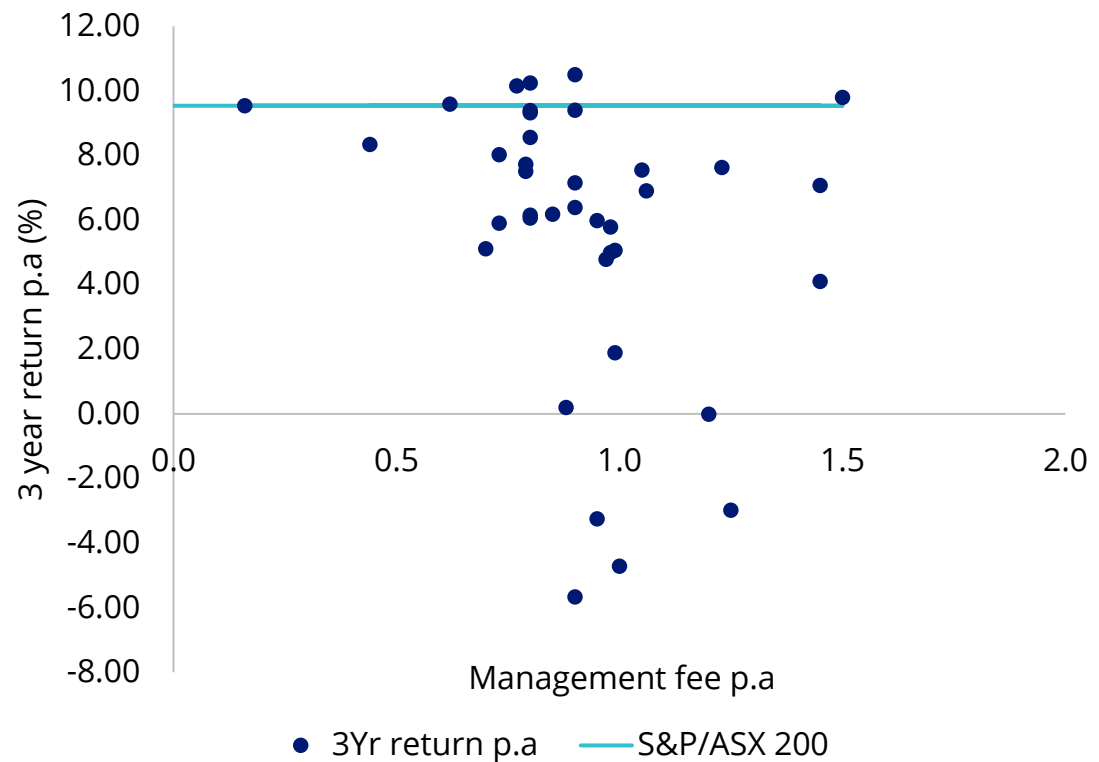
# Active managers have failed to beat the benchmark

## S&P Indices Versus Active (SPIVA) Australia Year-End 2025

### Key Findings

- 80% failed to beat the S&P/ASX 200 over 3 years
- Percentage failed typically increases the longer the time period
  - 79.8% failed over 5 years
  - 87.6% failed over 10 years
  - 86.9% failed over 15 years

Active Manager performance versus S&P/ASX 200

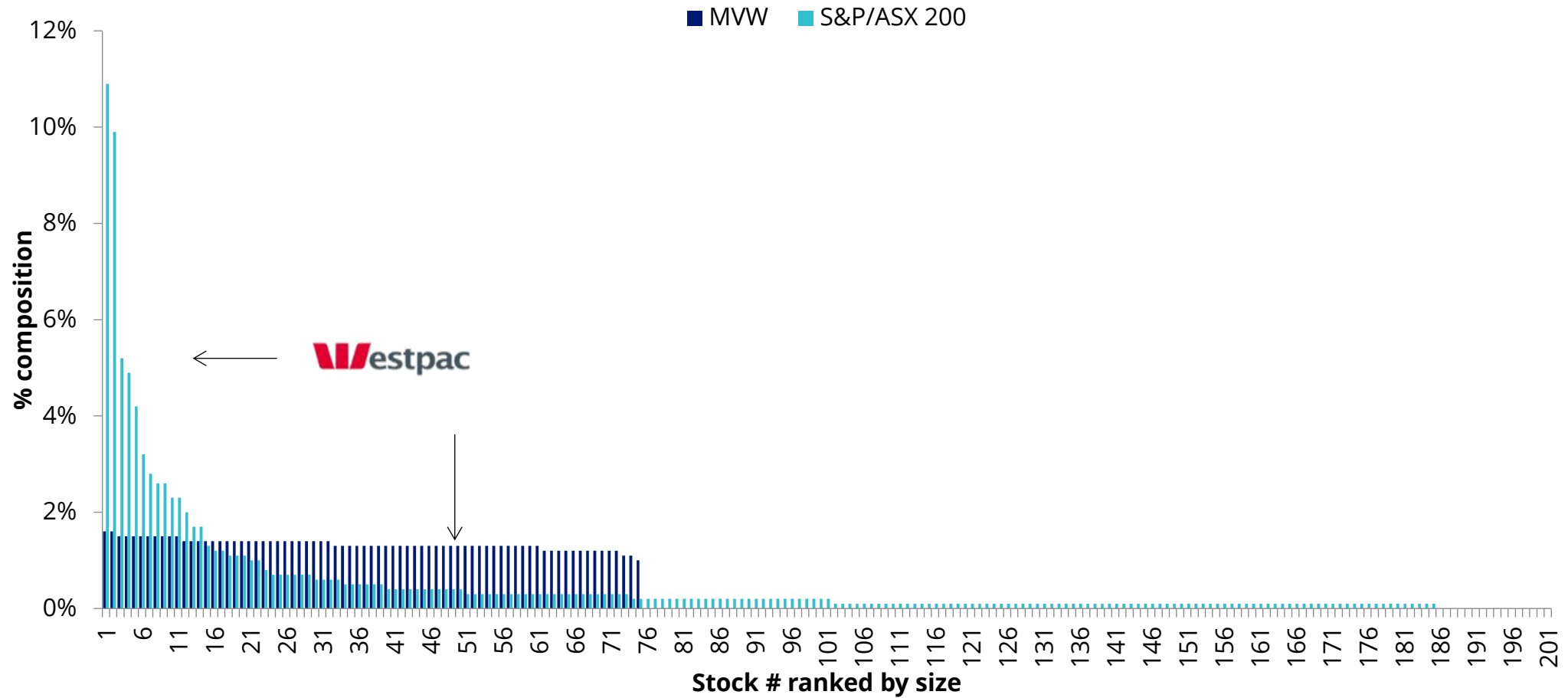


Is there an alternative?



# Practical application

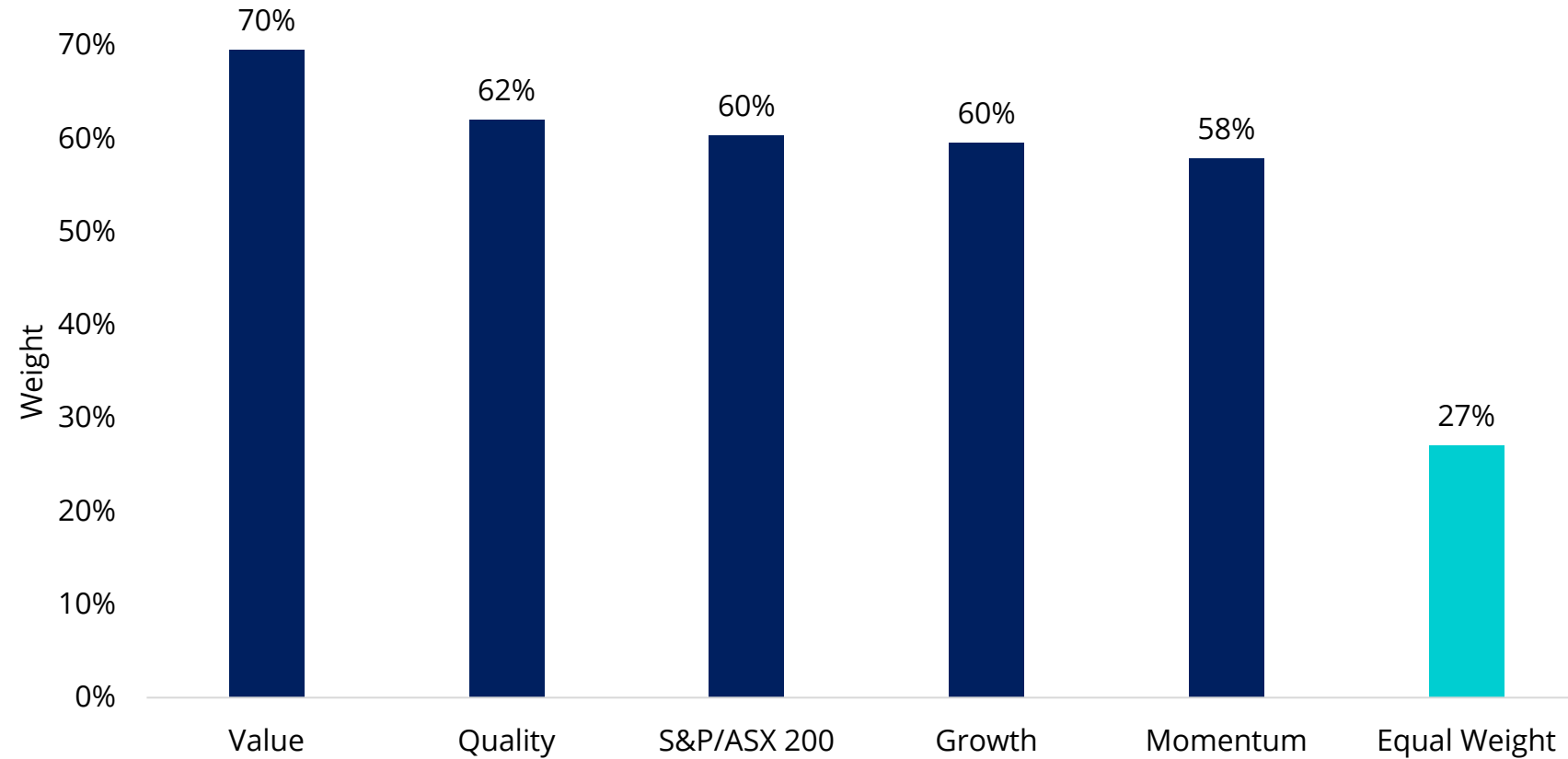
## Invest equally across constituents



Source: VanEck, as at 31 March 2026.

# Equal weighting: Harness mid cap performance

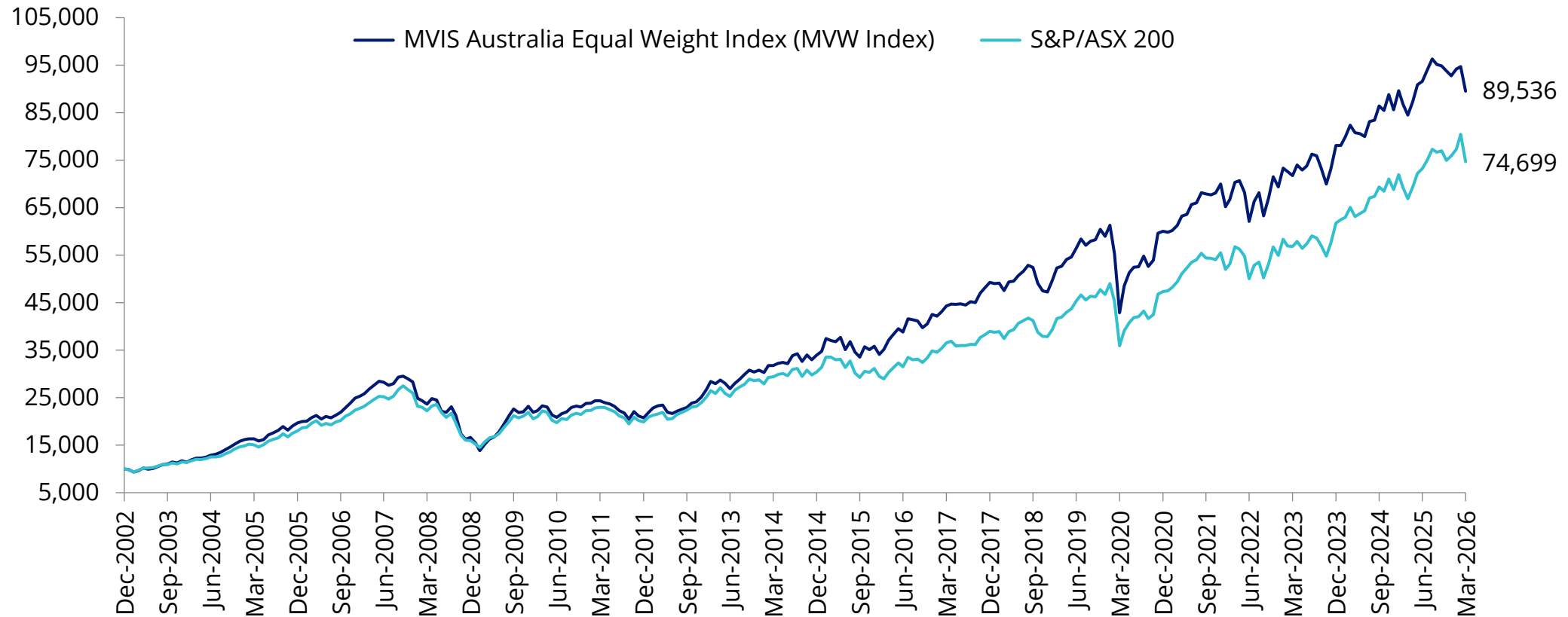
**Weighting to 20 largest Australian Companies**



Source: MSCI, S&P, MSCI Australia IMI Factor Indices, Equal Weight as MVIS Australia Equal Weight Index, As at 10 April 2026. Weightings may change in the future.

# Equal weighting performance

Hypothetical growth of 10,000 performance: January 2003 to March 2026



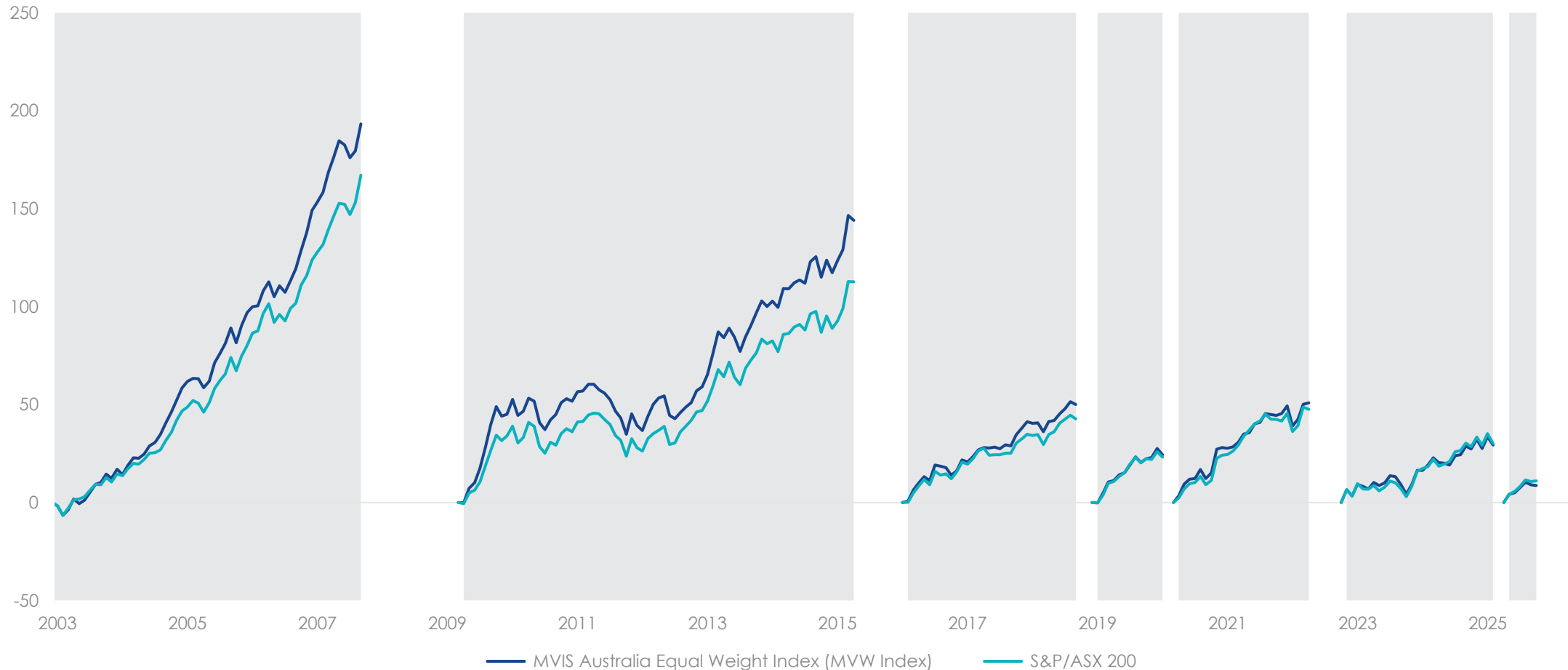
Source: VanEck, Morningstar Direct, as at 31 March 2026. The above performance graph shows the performance of the MVW Index not MVW vs the S&P/ASX 200 Index based to 10,000. Results are calculated to the last business day of the month and assume immediate reinvestment of all dividends and exclude costs associated with investing in MVW. You can not invest directly in an index. The above performance information is not indicative of current or future performance of the indices or MVW, which may be lower or higher. MVW Index base date is 31 December 2002. MVW Index performance prior to its launch on 29 November 2013 is simulated based on the current index methodology.



# Equal weighting performance

Historically outperformed during past economic recoveries

Cumulative Performance of MVIS Australian Equal Weight Index during Growth Periods



Source: VanEck, Bloomberg, FactSet; as at April 2026. The above chart represents past performance of the MVW Index and not MVW. Index performance is not illustrative of fund performance. You cannot invest directly in an index. Index returns assume dividends are immediately reinvested and exclude management fees and costs incurred when investing in the fund. Past performance of the MVW Index is not indicative of future performance of MVW.



# VanEck Australian Equal Weight ETF

The only Australian equities equal weight ETF on ASX



## Core Australian equity strategy

An award-winning Australian equity strategy backed by significant research investing in the largest and most liquid Australian listed companies.



## Diversification across companies and sectors

A portfolio which offers true diversification by equally weighting across companies and reducing sector concentration.



## Outperformance potential

Equally weighting has been proven to produce long-term outperformance compared to a market capitalisation approach.

**Key risks:** An investment in our Australian equal weight ETF carries risks associated with: financial markets generally, individual company management, industry sectors, fund operations and tracking an index. See the VanEck Australian Equal Weight ETF PDS and TMD for more details.

ASX code:	MVW
ASX commencement:	6 March 2014
Management costs:	0.35% p.a.
Index:	MVIS Australia Equal Weight Index
Stock number:	75
Bloomberg index ticker:	MVMVWTRG
AUM as at 30 April 2026	\$3.2 billion



Reduce human element: key person risk and emotional biases?

Equal weight does... so could programmed learning

# Quantitative screening

## Finding alpha from three identifiable signals

**1**

### Company and industry fundamentals

Analysing ~12,000 company and industry fundamentals signals.

Examples include return on equity, financial leverage and inventory level changes for retailers.

**2**

### Technical and pair trading signals

Analysing ~3,000 heuristic or pattern-based signals produced by the price and volume of a security.

Examples include Relative Strength Index (RSI), Money Flow Index (MFI), stochastics, moving average convergence divergence (MACD), and Bollinger Bands.

**3**

### Macroeconomic

Analysing ~1,200 macroeconomic signals.

Examples include the breakdown of inflation, labour market and GDP changes.

# Snapshot

## VanEck Australian Long Short Complex ETF (ALFA)



### High conviction long short strategy

Unconstrained high conviction Australian equity portfolio that targets long and short positions



### Active systematic approach

A dynamic quantitative stock selection approach utilising sophisticated computations and programmed learning designed to be agnostic of market cycle and style rotations



### Outperformance potential

Alternate Australian equity strategy that aims to deliver excess return over the medium to long-term.

**Key risks:** An investment in the Fund carries risk. The Fund is considered to have a higher investment risk than a comparable fund that does not engage in short selling and leverage. Investors should actively monitor their investment as frequently as daily to ensure it continues to meet their investment objectives. Risks associated with an investment in the fund include those associated with short selling risk, leverage risk, prime broker risk, counterparties risk, concentration risk, operational risk and material portfolio information risk. See the VanEck Australian Long Short Complex ETF PDS and TMD for more details.



ASX code:	ALFA
ASX commencement:	23 January 2025
Management fee:	0.39% p.a.*
Performance fee:	20% of Fund's return above the Benchmark, subject to a high watermark
Benchmark:	S&P/ASX 200 Accumulation Index
AUM as at 30 April 2026	\$30.5 million

\*Other costs may apply. Please refer to the PDS.

# An intelligent approach to Australian equities

-  Understand the portfolio distortions observable in the Australian market
-  Consider approaches that work in international shares
-  Optimise value for money (minimise management fees and maximise excess returns)
-  Consider alternatives
-  Reduce human element: key person risk and emotional biases
-  Stress test



Access the opportunities

Questions?

# Performance

## Performance as at 30 April 2026

	1 Month (%)	3 Months (%)	1 Year (%)	3 Years (% p.a.)	5 Years (% p.a.)	10 Years (% p.a.)	Since Inception (% p.a.)
MVW	2.95	-2.20	5.27	7.22	7.45	8.76	8.78
S&P/ASX 200 Accumulation Index	2.18	-1.22	10.12	9.66	8.36	9.31	8.18
<b>Difference</b>	<b>+0.77</b>	<b>-0.98</b>	<b>-4.85</b>	<b>-2.44</b>	<b>-0.91</b>	<b>-0.55</b>	<b>+0.60</b>

Inception date is 4 March 2014.

The table above show past performance of MVW and of the S&P/ASX 200 Index. Results are calculated to the last business day of the month and assume immediate reinvestment of distributions. MVW results are net of management costs and expenses, but before brokerage fees or bid/ask spreads incurred when investors buy/sell on the ASX. Returns for periods longer than one year are annualised. Past performance is not indicative of future performance.

	1 Month (%)	3 Months (%)	1 Year (%)	Since Inception (% p.a.)
ALFA	3.21	3.14	19.53	11.39
S&P/ASX 200 Accumulation Index	2.18	-1.22	10.12	6.82
<b>Difference</b>	<b>+1.03</b>	<b>+4.36</b>	<b>+9.41</b>	<b>+4.57</b>

ALFA inception date is 21 January 2025.

The table above show the past performance of ALFA and of the S&P/ASX 200 Index. Results are calculated to the last business day of the month and assume immediate reinvestment of distributions. ALFA results are net of management costs and expenses, but before brokerage fees or bid/ask spreads incurred when investors buy/sell on the ASX. Past performance is not indicative of future performance.

## ⓘ— Important information

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This information is general in nature and not personal advice, it does not take into account any person's financial objectives, situation or needs. Past performance is not indicative of future performance.

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There is no guarantee on the repayment of capital, the payment of income, performance, or any rate of return from any fund. This information is believed to be accurate at the time of compilation but is subject to change without notice.

For the performance tables, the S&P/ASX 200 Index is shown for comparison purposes as it is the widely recognised benchmark used to measure the performance of the broad Australian equities market. It includes the 200 largest ASX-listed companies, weighted by market capitalisation. MVW's index measures the performance of the largest and most liquid ASX-listed companies, weighted equally at rebalance. MVW's index has fewer companies and different industry allocations than the S&P/ASX 200.

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# Thankyou

**For more information:**

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