BLACKMORE CAPITAL
EQUITY INVESTORS

BLENDED AUSTRALIAN EQUITIES PORTFOLIO

Monthly Update

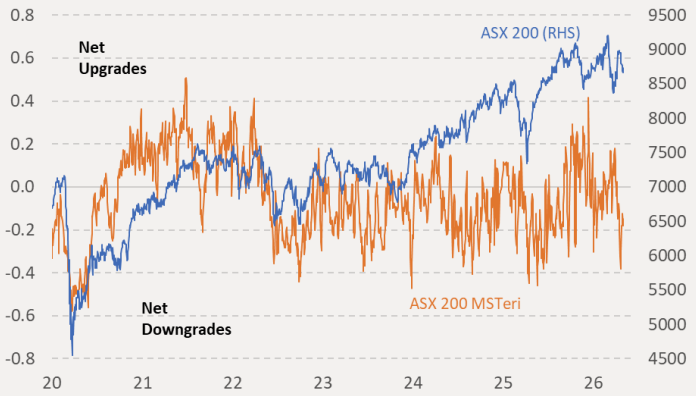
April 2026

INVESTMENT OBSERVATIONS

The ASX 200 rose +2.20% in April, as renewed enthusiasm surrounding AI-related capital expenditure and a temporary de-escalation of tensions in the Middle East provided modest relief to equity markets. At a portfolio level, returns lagged the benchmark index due to the absence of direct exposure to the technology sector, with the Blended portfolio rising +1.50% and the Income portfolio increasing +1.53%.

Remarkably, the global economy continues to demonstrate resilience despite the supply disruptions caused by the conflict. In particular, US GDP data and corporate earnings have been supported by unprecedented investment in AI infrastructure. Meanwhile, in Australia, elevated commodity prices have provided a tailwind to ASX 200 earnings upgrades.

ASX 200 revisions for EPS growth



Source: MST Marquee May 2026

Outside these sectors, however, the picture is far more sombre, as higher energy prices, supply disruptions, and the impact of slower consumption continue to weigh on economic activity. A slew of earnings downgrades has already commenced as companies navigate the uncertainties associated with cost inflation and higher interest rates.

Typically, May represents the final window before year-end profit results in which companies provide trading updates and either reaffirm or revise earnings guidance higher or lower. The heightened uncertainty surrounding current geopolitical events suggests that equity markets are likely to continue exhibiting elevated levels of volatility.

In April, the best-performing sectors were Technology (+12.3%) and Real Estate (+8.1%), while the weakest sectors were Healthcare (-8.4%) and Energy (-2.7%).

At a portfolio level, returns in April broadly reflected these sector dynamics. Within the Blended and Income Portfolios, positive contributors included BHP, Macquarie, and BlueScope, while CSL, NAB, and S32 detracted from performance.

In periods of upheaval, when economies and markets appear acutely vulnerable, it is prudent to reflect on the disciplines that underpin the portfolios' investment philosophy.

Our investment process recognises that market outcomes are increasingly influenced by structural forces — including passive flows, systematic strategies, geopolitical developments, and momentum dynamics — while acknowledging that underlying fundamentals remain the ultimate anchor of long-term value. In this regard, we place emphasis on the following principles:

I. Quality of reasoning – Investment advantage is derived from a disciplined process rather than predictive accuracy.

II. Detachment is required for clear judgement – Attachment to views can distort perception. Maintain emotional discipline and objectivity.

III. Reality exists independent of perception – Beware of consensus narratives; validate assumptions with data.

IV. Treat positions as probabilistic exposures, not "belief systems".

V. Re-underwrite positions continuously – Implement a formal review framework (quarterly or post-results) and apply disciplined investment checklist processes.

VI. Process over outcomes – Judge decisions by process quality, not short-term returns. Conduct post-mortems on decisions, not merely outcomes.

VII. Pre-defined sell discipline based on:

1. Material deterioration in earnings quality
2. Material deterioration in the balance sheet
3. Material deterioration in governance
4. Excessive valuation
5. Superior alternative capital allocation opportunities

VIII. The illusion of control – Investors often overestimate their control over outcomes. Build robustness rather than precision. Position sizing should be based on risk, not conviction alone.

IX. Humility as a core discipline – Assume you can be wrong and actively seek disconfirming evidence.

X. Horizon and patience – Compounding requires time. Distinguish between structural positions and tactical trades.

XI. Beware of collective illusions – Be cautious when valuations detach from fundamentals and flows dominate price action. However, recognise that flows, momentum, and consensus can persist longer than fundamentals alone would suggest.

PORTFOLIO OBJECTIVE

The portfolio seeks to generate long-term capital appreciation by investing in Australian listed equities. The portfolio aims to do so with lower volatility and greater downside protection relative to the S&P/ASX 200 Accumulation Index benchmark.

PORTFOLIO DETAILS

Inception date:	Feb 2014
Investment minimum:	$25,000
Investment time horizon:	5+ years
Management fee:	0.6%
Maximum holding limit:	12%
Number of stocks:	20 - 40
Gross Dividend Yield	4.16%*
Net Dividend Yield	3.34%

** Forecast gross yield inc franking for the next 12 months*

TOP 5 HOLDINGS

Stock	Weight
BHP	9.9%
WBC	5.3%
NAB	5.1%
BSL	4.7%
MQG	4.7%

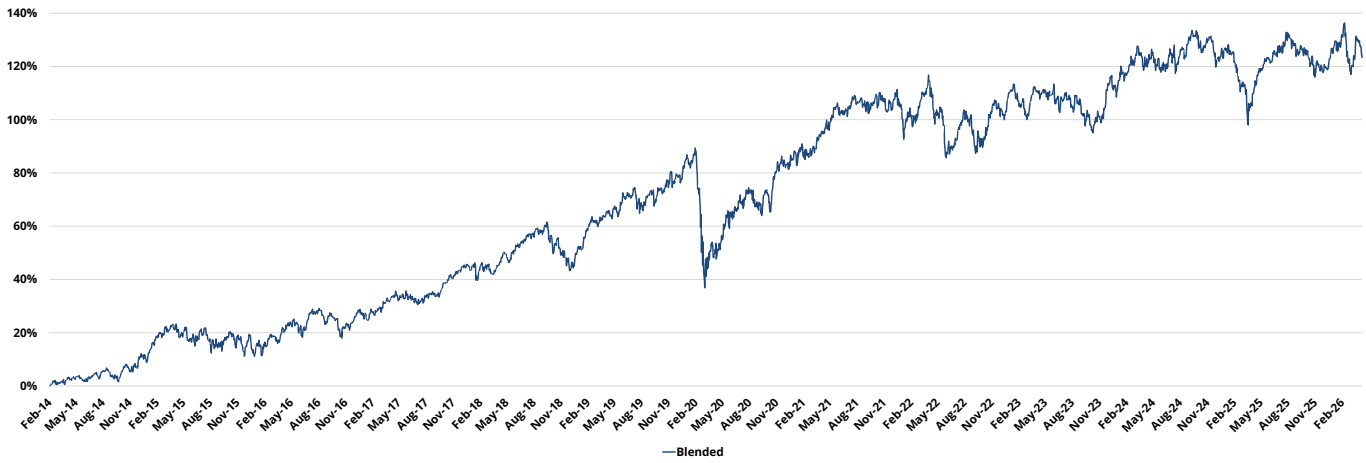
PLATFORM AVAILABILITY

MACQUARIE

praemium

BT Panorama

CUMULATIVE RETURN FROM INCEPTION



PORTFOLIO RETURNS

	1 month	3 months	6 months	FYTD	1 year	3 years	5 years	7 years	10 years	Inception p.a	Since inception
Portfolio performance	1.5%	-2.7%	0.0%	0.1%	5.3%	2.1%	2.8%	4.4%	6.3%	6.8%	123.3%
ASX 200 Accum Index	2.2%	-1.2%	-0.9%	4.2%	10.1%	9.7%	8.4%	8.6%	9.3%	8.2%	161.4%

** Returns are net of management fees. Performance includes reinvestment of all dividends and excludes franking credits.*