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NEWS HIGHLIGHTS

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OUR VIEWS ON ECONOMIC AND OTHER EVENTS AND THEIR EXPECTED IMPACT ON INVESTMENTS

JUNE 23, 2025

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OWNER OPERATED COMPANIES

GO TO PORTLAND 15 OF 15 ALTERNATIVE FUND[1]

PORTLAND 15 OF 15 ALTERNATIVE FUND[1] COMPANY NEWS

Ares Management Corporation (Ares) – has acquired a minority stake in the France Sail Grand Prix (SailGP) Team (financial terms undisclosed), joining Kylian Mbappé's Coalition Capital as a co-investor, and expanding Ares's portfolio of elite sports assets, which already includes Club Atlético de Madrid S.A.D., Club Internacional de Fútbol Miami, and McLaren Racing Limited. The France SailGP Team, one of the league's original franchises, holds the current speed record 99.94 kilometers per hour(km/h) and recently secured a podium finish, placing sixth in the 2024–25 season standings. Founded in 2019 by Oracle Corporation's Larry Ellison and Olympic sailor Russell Coutts, SailGP is preparing to expand from 12 to 14 teams by 2026. Ares's Co-Head of Sports, Media & Entertainment, Jim Miller, called the investment timely, aligning with the league's commercial growth. SailGP team valuations have surged recently, with the United States (US) team at a pre-money valuation estimated at US$125 million (early 2024), Canada estimated around $50–60 million (2024), and Britain and Italy each selling stakes for $45–50 million in late 2023 and early 2024.

Brookfield Asset Management Ltd. (Brookfield) – has agreed to sell its Iberian student housing platform, Livensa Living, to Nido Living Limited (Nido) for EUR (€) €1.2 billion, with the transaction expected to close in Quarter four (Q4) 2025. Livensa, originally acquired by Brookfield in 2019, grew under its ownership from 5 to 22 assets and now comprises ~9,000 beds across top university cities in Spain and Portugal. The buyer, Nido, is a purpose-built student accommodation (PBSA) operator owned by Canada's Pension Plan (CPP) Investments, who committed up to €460 million in equity to support the deal. Nido also secured ~€700 million in debt financing, with Crédit Agricole Corporate and Investment Bank acting as sole bookrunner, highlighting institutional support for the platform's growth strategy. The acquisition nearly triples Nido's portfolio to over 13,000 beds and positions it as one of Europe's largest PBSA operators, with ambitions to reach 25,000 beds by 2031 across Iberia, Italy, and Germany. For Brookfield, the sale is another example of its build-to-core real estate strategy in action, expanding Livensa into a market leader before exiting at scale, while showcasing its expertise in alternative living segments like student housing which are likely to benefit from demographic tailwinds and institutional demand. The divestment aligns with Brookfield's broader track record in the European PBSA space, following its sale of Student Roost in the United Kingdom (UK) in 2022 and its continued management of ~30,000 student beds across Europe.

Reliance Industries Ltd (RIL) – RIL on Monday sold shares worth Indian Rupees (INR) 18.76 billion (US $218.32 million) in Asian Paints through a bulk deal, exchange data showed. RIL, through affiliate Siddhant Commercials, sold 8.5 million shares in Asian Paints Ltd. (Asian Paints) to Industrial Credit and Investment Corporation of India (ICICI) Prudential Life Mutual Fund, for INR 2,207 apiece. The price reflects a 0.3% discount to Asian Paint's Friday's close. Last week, RIL sold shares worth US $901 million in the paint maker, trimming its stake to 0.9% from 4.9% as of March-end 2025. Asian Paints, India's largest paint maker, is currently facing a potential antitrust scrutiny, with its growth being challenged by new entrants like Aditya Birla Group's Birla Opus. Last week, Reliance said it had a balance of 8.7 million shares in Asian Paints, while Monday's stake sale reduces the balance to roughly 200,000 shares.

RIL - The mandatory financial disclosure submitted by US President Donald Trump has disclosed a 'development fee' payment of $10 million (INR 86.47) by an entity linked to RIL, controlled by India's richest man, Mukesh Ambani, for a licence agreement in Mumbai. The document released by the US Office of Government of Ethics on June 13 showed Reliance 41R Realty Development Ltd, a subsidiary of RIL, making the licence fee payment, which is usually paid by third parties to acquire the right to use the 'Trump' brand name for real estate developments. It is unclear what Ambani's RIL has planned in Mumbai. The company has so far not ventured into commercial real estate projects, be it residential or office space for sale to third parties. However, the company has executed residential development for its use, be it in industrial parks or housing for employees at the plant location. A spokesperson for RIL did not comment on the development. The deal indicates that the personal relationship Ambani appears to share with the first family of the US is transcending to a business relationship. With the Reliance deal, it appears that the Trump brand will have another home in India, where six Trump-branded luxury real estate projects have been taken up by Mehta's Tribeca, with the latest being Trump Residences in Gurgaon.

LIFE SCIENCES

GO TO PORTLAND LIFE SCIENCES ALTERNATIVE FUND[1]

Amgen Inc. (Amgen)– announced that full 52-week Phase 2 data for MariTide, its once-monthly peptide-antibody conjugate for obesity and Type 2 diabetes, will be presented at the American Diabetes Association (ADA) Scientific Sessions on June 23, 2025. The data reportedly show robust weight loss with no plateau, reinforcing MariTide's potential as a differentiated long-acting treatment in the growing weight loss market. The results have shaped the ongoing Phase 3 MARITIME program and signal confidence in long-term commercial viability. Amgen will host an investor webcast the same day to discuss these results and its broader cardiometabolic pipeline. The company will also present new Repatha® (evolocumab) data from the FOURIER and VESALIUS-REAL studies, targeting cardiovascular risk in patients with Type 1 diabetes and high-risk lipid profiles. Repatha continues to demonstrate efficacy in low-density lipoprotein cholesterol (LDL-C) reduction, supported by extensive real-world and clinical data. MariTide represents a high-potential growth asset in the competitive obesity space, where Amgen aims to leverage its unique dual-mechanism platform. Repatha®, meanwhile, underpins Amgen's commitment to halving cardiovascular events by 2030 and supports steady revenue from its established cholesterol franchise.

Clarity Pharmaceuticals Limited (Clarity) – has signed a Commercial Manufacturing Agreement with SpectronRx for its lead prostate cancer diagnostic product, 64Cu-SAR-bisPSMA. Under the agreement, SpectronRx's Indiana facility will manufacture both copper-64 and the finished product, enabling on-demand, nationwide U.S. distribution of up to 400,000 patient-ready doses annually. The agreement includes options to expand manufacturing to additional regional hubs across the U.S., enhancing distribution and supply resilience. The product's extended half-life of 12.7 hours (compared to ~1–2 hours for gallium-68 and fluorine-18) provides a major logistical advantage, supporting broader geographic access and 24/7 Positron Emission Tomography (PET) scan availability. Clarity emphasized the superiority of copper-64 over first-generation radiodiagnostics due to its longer shelf life, easier centralized production, and domestic manufacturability. The company is already producing 64Cu-SAR-bisPSMA for its Phase III trials (CLARIFY1 and AMPLIFY2) and is preparing for commercial rollout pending Food and Drug Administration (FDA) approval.

Nuvalent, Inc. announced the appointment of Christy Oliger to its Board of Directors. Oliger brings over 30 years of experience in the pharmaceutical and biotechnology industry, most recently serving as Senior Vice President of the Oncology Business Unit at Genentech, where she led US commercial operations. During her 20-year tenure at Genentech, Inc. (Genentech), she held senior roles across oncology, neurology, rare disease, and other therapeutic areas. Prior to Genentech, she held management positions at Schering-Plough Corporation. The company noted that her appointment comes as it prepares for a potential first product approval in 2026.

Perspective Therapeutics Inc – announced it has opened Cohort 3 of its ongoing Phase 1/2a clinical trial for [212Pb]VMT- -NET, targeting patients with unresectable or metastatic somatostatin receptor 2 (SSTR2) - positive neuroendocrine tumors who have not received prior radiopharmaceutical therapy. Cohort 3 involves a fixed administered dose up to 20% higher 6 millicuries (mCi) than Cohort 2 and will evaluate safety, including dose-limiting toxicities, in up to eight patients. This advancement follows alignment with the FDA and builds on encouraging safety and anti-tumor activity data from earlier cohorts. A dosimetry sub-study was presented at the 2025 Society of Nuclear Medicine and Molecular Imaging (SNMMI) Annual Meeting to explore the utility of dose estimates in clinical development. The company aims to share longer-term safety and efficacy data in the second half of 2025.

NUCLEAR ENERGY

Centrus Energy Corporation – has received a one-year extension from the US Department of Energy (DOE) for its High-Assay Low-Enriched Uranium (HALEU) production contract, extending operations through June 30, 2026. The extension is valued at approximately US $110 million and launches Phase III of the contract. Additionally, the DOE restructured its initial three-year Phase III option into a one-year extension, which has just been exercised, plus a two-year option, with the ability to extend the contract for up to eight more years, subject to DOE discretion. The HALEU produced remains DOE property and supports national priorities, including advanced reactor development and US energy security.

ECONOMIC CONDITIONS

Geopolitical tensions have moved up a notch with US bombing Iran's nuclear facilities over the weekend. Current market reaction suggests that base case is for a token response which will allow Iran to claim a counter-attack but with the aim of de-escalation. Key would be whether Iran would (or could) close the Strait of Hormuz and disrupt global oil supply, as 20% of the world's oil needs to pass through there. Iran's parliament voted to shut it down (with the final decision up to the Supreme Leader Ayatollah Ali Khamenei), but with US and Israel planes reported to have almost clear access to Iran's airspace, the closure of the Strait would appear to be practically impossible. A closure of the Strait would imply a significant rally in oil prices, but the move would appear somewhat against the goals of Iran and allies, as most Iranian crude is shipped through the Strait given little pipeline capacity. Meanwhile, China is one of the biggest beneficiaries of the oil which transits through the Strait. It is possible that Iran instead chooses selective interference in global oil markets which would have far less market impact.

The recent history between US and Iran is complicated to say the least. The overthrow of the Shah in 1979, subsequent American hostage-taking, and Middle East tensions ever since are what most living Americans remember. But Iranian resentment towards foreign interference started in 1941 (UK and Soviets invaded Iran to secure oil fields, citing concerns over German influence and forced King Shah to abdicate his throne), 1953 MI6- and Central Intelligence Agency (CIA)-backed coup which overthrew Mosaddegh (and his efforts to nationalize Iran's oil industry to help ordinary citizens) and installation of Shah. This resentment eventually manifested itself with the overthrow of the Shah in 1979 and Islamic revolution (US Secretary of State Albright apologized in 2000 for the US involvement in Mosaddegh's ouster).

Meantime, North Atlantic Treaty Organization (NATO) countries have agreed to increase defense spending with a long term goal of 5% of Gross Domestic Product (GDP) by 2035.

The Canadian government announced a package of measures for the steel industry to help support the sector. At the core of the package are counter-tariffs on US steel imports, with the rate to be set on July 21 "to levels consistent with progress that has been made in the broader trading arrangement with the United States", which lines up with the 30-day period to conclude a Canada-US trade deal. The Canadian government also announced that it will make adjustments to government procurement programs, establish new tariff rate quotas on steel/aluminum imports from countries that don't have a free trade agreement, and introduce new tariffs over the coming weeks "to address risks associated with persistent global overcapacity and unfair trade in the steel and aluminum sectors'" spending with a long term goal of 5% of GDP by 2035.

U.S. Retail Sales, Industrial Production (May): Retail sales fell 0.9% in the month, more than our forecast for a 0.7% drop and the consensus looking for a 0.6% decrease. April retail sales were also revised lower to negative 0.1% from 0.1% previously. It was the worst monthly performance since January and sales have fallen in three of the past five months as tariff uncertainty and a softening labor market took a toll on consumers' willingness and ability to spend. Payback for tariff front-running earlier in the year in categories such as motor vehicles also played an important role in the drop in retail sales, as did a decline in gasoline prices. Retail sales declines last month were led by motor vehicles (-3.5%), building materials (-2.7%), and gasoline station sales (-2.0%), which together comprise nearly a third of all retail spending. Notable declines were also seen in eating and drinking establishments (-0.9%), food and beverage stores (-0.7%), and electronics (-0.6%). The drop in restaurant and building material spending points to consumers cutting back on their discretionary spending, as their budgets tighten and finances deteriorate. On the other hand, retail sales growth improved in a number of other categories such as miscellaneous stores, sporting goods, furniture, non-store retailers, and clothing stores. Industrial production fell 0.2% in May, a bigger drop than the consensus forecast of 0.0% and down from April's 0.1% increase. Manufacturing output managed a modest 0.1% advance on a strong 4.9% increase in motor vehicle and parts production. But manufacturing outside of motor vehicles was weak, declining 0.3%. Production declines occurred in construction, nonindustrial supplies, consumer goods, and material categories last month. The index for utilities dropped 2.9%, while mining advanced 0.1%. Industrial production has been weak all year and is up only 0.6% from a year ago.

U.S. Housing starts fell much more than expected, down 9.8% to 1.256 million annualized in May. That's the lowest level in five years—the onset of the pandemic. Homebuilding continues to face heavy headwinds amid high input prices, elevated borrowing costs, increasing inventory, and tariffs now also adding to the mix. Meanwhile, building permits, a good proxy for future construction, fell 2.0% to 1.393 million annualized. According to the National Association of Home Builders, confidence among homebuilders wilted to the lowest level since the end of 2022. Overall, the figures suggest residential construction will remain under pressure for some time. Although rate-sensitive sectors (like housing) remain downbeat, the job market, though moderating, is still holding up and price pressures are elevated.

U.S. existing home sales unexpectedly edged up 0.8% to 4.03 million units (annualized rate) in May, marking the first rise in three months. Sales of single-family homes climbed 1.1%, even as condos wilted to the lowest level since the depths of the financial crisis (outside the pandemic). Overall, activity remains subdued as the housing market faces immense headwinds. The median selling price climbed 1.3% year-over-year (y/y), but that was the slowest pace in almost two years. It would take 4.6 months to sell all homes on the market, the longest since 2016. Despite more listings coming on the market, buying activity remains muted amid elevated mortgage rates and the poorest affordability in decades.

The French Services Purchasing Managers' Index (PMI) came down slightly to 48.7 in June from 48.9 in May falling short of market expectation (mkt) of 49.1. The private sector was the biggest contributor to the weakness due to inflationary pressures causing a rise in input costs. Though international orders continued to decline, the pace of reduction was the slowest since January. Business sentiment, on the other hand, was at its highest since October, with increasing expectations that output could expand over the upcoming year.

German Manufacturing PMI came up to 49.0 in June (mkt: 49.0) with the strongest growth in new orders in more than three years, driven by both domestic and international demand. Services also ticked up from 47.1 in May to 49.4 in June. On the other hand, June flash data also saw a reduction in backlogs of work, factory job cuts, and an uptick in the rate of output charge inflation. Business sentiment showed a slight reduction in optimism of growth prospects over the next year.

U.K. Composite PMI surprised to the upside at 50.7, driven by an increase in both Manufacturing PMI to 47.7 (mkt: 46.9) and Services PMI to 51.3 (mkt: 51.3). New business volumes returned to a growth territory, which was largely contained to the services sector, with manufacturing showing an export-led decline in orders. Employment decreased at a faster pace than in May due to subdued demand and strong cost pressures, though with inflationary pressures increasing at its slowest pace over three months. Business activity expectation came off their six-month high in May but remained positive citing greater capital spending and a demand tailwind from falling borrowing costs.

U.K. Consumer Price Index (CPI) surprised to the upside at 3.4% y/y in May (mkt: 3.3%), driven largely by food – though partially offset by energy. On the other hand, services inflation came in below consensus at 4.7% y/y (mkt: 4.8%), which also brought down core inflation to 3.5% y/y (mkt: 3.5%). The cool down in services was mostly driven by the transport subsector, which reflected a fall in air fares as a function of April's strength unwind and price of motor fuels.

U.K. Retail sales fell 2.7% month-over-month (m/m) in May (mkt: -0.5%), surprising to the downside and reversing a four-month growth trend. The weak release was across the board with food stores and household goods subsectors leading the unwind of previous months' strength. The former was driven by reduced sales volumes in supermarkets with retailers commenting on inflation directing customer cutbacks. The remainder was a function of unwind as consumers completed home projects earlier thanks to good spring weather. May's retail sales effectively unwound all the gains in the sector seen so far this year, and with retail sales having been an important driver of quarter one (Q1) GDP growth, today's data will weigh somewhat on Q2 growth.

FINANCIAL CONDITIONS

U.S. Federal Open Markets Committee kept policy rates unchanged on June 18, with the fed funds target range at 4.25%-to-4.50% for the fourth consecutive confab. And, the Fed signaled that policy could remain on hold for at least a little while longer. The statement said: "Uncertainty about the economic outlook has diminished but remains elevated. The Committee is attentive to the risks to both sides of its dual mandate". The median forecasts in the Summary of Economic Projections (SEP) showed, again, slower growth and faster inflation for this year and next. Specifically, for 2025 (Q4/Q4), real GDP growth was lowered by 0.3 percentage points (ppts) to 1.4% and both total and core Personal Consumption Expenditures (PCE) inflation were lifted by 0.3 ppts to 3.0% and 3.1%, respectively. For 2026, growth was decreased by 0.2 ppts to 1.6% and both total and core inflation were increased by 0.2 ppts to 2.4%. In the 'dot plot', the median projection for this year stayed at two 25 base points (bps) rate cuts (to 3.875%), although one more participant joined the 'one-or-none' club (it now boasts nine members with just one more needed to turn the median dial). For next year, the median call is now for only one cut; it was two before. The stagflation-skewed projection alterations are prompting more Fed policy caution. The Fed is weighing the risks of slower growth against those of faster inflation. If the former is significantly heavier, the Fed will likely ease, but if the latter is meaningfully heavier, the Fed will probably remain on hold (recall policy is still on the restrictive side). By summer's end, we should in our view be starting to see an emerging tilt to the slower growth side, setting the stage for a rate cut or two.

Bank of England remained on hold, keeping Bank Rate at 4.25%. Ramsden joined Taylor and Dhingra on dissenting for a cut, making the vote slightly more dovish than expected at 6-3. The tone remained focused on a "gradual and careful approach" to further monetary easing, suggesting that August cut is appropriate.

Swiss National Bank cut by a further 25 bps to 0% — adding to concerns over a potential return to negative rates. The reduction was widely expected by markets ahead of the decision, after traders priced in an around 81% chance of a quarter-point cut and around a 19% chance of a bigger 50-basis-point cut. While other nations continue to battle inflation, Switzerland faces deflation, with consumer prices falling by an annual 0.1% in May. Low levels of inflation are not unusual for Switzerland — the country has seen several periods of deflation in the 2010s and 2020s. The strength of the country's currency, the Swiss franc, is a major contributor to this trend. Market was looking for a small risk of 50 bps cut but they only delivered 25 bps. They also noted that there's a high bar for cutting rates into negative territory, removing some of the market pricing around the next steps.

Norges Bank delivered a surprise 25 bps cut, bringing the policy rate down to 4.25%, against universal consensus of a hold. The Committee cites greater than normal uncertainty as the trigger to start normalization of the policy rate sooner than expected. However, as inflation remains elevated at 3.0% y/y, they also emphasize that restrictive monetary policy is still needed and that the cutting path should be cautious. Projections were also revised, bringing the Q4 2025 forecast of policy rate down to 3.98%. When considering the timing of the December meeting, this suggests two more cuts for the year. Rates are projected to be at 3.39% by the end of 2026.

Bank of Japan (BoJ) decision was straightforward one with a unanimous 9-0 vote to keep the target rate unchanged at 0.5%, but the spotlight was on the BoJ's Quantitative Easing taper plans. The BoJ announced that it will cut its Quantitative Easing (QE) taper pace by Japanese Yen ¥200bn/quarter from April 2026 (next fiscal year) but retain its current taper pace of ¥400bn/quarter until then. In our view the BoJ, may push out the next hike from July to October, which would take the Target rate to 0.75%.

The U.S. 2 year/10 year treasury spread is now 0.45% and the U.K.'s 2 year/10 year treasury spread is 0.62%. A narrowing gap between yields on the 2 year and 10 year Treasuries is of concern given its historical track record that when shorter term rates exceed longer dated ones, such inversion is usually an early warning of an economic slowdown.

The U.S. 30 year mortgage market rate is now 6.81%. Existing U.S. housing inventory is at 4.4 months supply of existing houses as of May 22, 2025 - well off its peak during the Great Recession of 11.1 months and we consider a more normal range of 4-7 months.

The volatility index(VIX) is 20.41 and while, by its characteristics, the VIX will remain volatile, we believe a VIX level below 25 bodes well for quality equities.

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Glossary of Terms: 'CET' core equity tier, 'EBITDA' earnings before interest, taxes, depreciation and amortization, 'EPS' earnings per share, 'FCF' free cash flow, 'GDP' gross domestic product, 'GAAP' Generally Accepted Accounting Principles, 'ROE' return on equity, 'ROTE' return on common equity, 'ROTCE' return on tangible common equity, 'conjugate" a substance formed by the reversible combination of two or more others, 'SG&A' Selling, General, and Administrative expense ratio.

1.Not all of the funds shown are necessarily invested in the companies listed.

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