BARRANTAGH Investment Management 1995 2020 25 Years

Q3 2026

TRADING ACTIVITY

BARRANTAGH INVESTMENT MANAGEMENT
Global Equities

The broadening in stock market performance that emerged early in the third quarter proved short-lived, as investors increasingly focused on areas less exposed to geopolitical uncertainty, input-cost pressures and higher bond yields. However, equities remained in positive territory during the quarter, supported primarily by strong earnings growth. While some of these macroeconomic pressures may persist, the rapid increase in long-term interest rates suggests that much of the adjustment may already have occurred. Against this backdrop, we continue to focus on companies with durable growth prospects, attractive valuations and balance sheets with appropriate leverage. We see particularly attractive opportunities among businesses providing infrastructure for the global buildout of the AI ecosystem.

Consistent with this framework, we have increasingly emphasized companies with durable, company-specific growth drivers. Our bottom-up research looks for businesses with valuation support, strong balance sheets and earnings that are less dependent on the economic cycle. One example is Dell Technologies, where server demand has grown substantially as customers expand their AI infrastructure. Dell is particularly well positioned given its scale, supply-chain relationships and ability to integrate leading-edge GPUs into complete server systems. Furthermore, demand for AI compute continues to exceed available capacity, suggesting the industry remains in the early stages of the infrastructure buildout. Over time, we also expect AI adoption to broaden beyond hyperscalers as more enterprises deploy AI workloads within their own data centres.

Healthcare is another area with secular growth drivers, supported by an aging population, drug innovation, and increasing therapy complexity. Biotech funding has also strengthened alongside a more active IPO market, improving conditions for emerging developers. Thermo Fisher is well-positioned to capture these tailwinds through its broad exposure to life science tools, equipment, and services. Additionally, the ongoing reshoring of drug manufacturing capacity to the United States is creating further opportunities as firms build out domestic production infrastructure.

BUYS

Chipotle

We are seeing early signs of Chipotle's turnaround, on a fallen angel that has a best-in-class fast-casual dining brand. The company saw exceptional growth prior to 2025 (because its menu is considered better quality/healthy for the money) but was then impacted by industry pressures of multiple years of food-away-from-home inflation. In 2026, the company is using several initiatives to bring back customer traffic, including menu innovations, a focus

on speed and delivery through kitchen efficiencies, and fresher marketing.

SELLS

Dick's Sporting Goods

Dick's Sporting Goods is undergoing a series of challenges with its Foot Locker acquisition and industry promotional pricing, with investors questioning whether the acquisition was a good move. The company also had to lower its full year's guidance. We decided to sidestep this volatility in our portfolio and may choose to reengage the stock once the company has firm footing with Foot Locker.

Honeywell Technologies

Honeywell Technologies became a pure-play automation company after its spin-off of Honeywell Aerospace. Although 2Q earnings were relatively in-line, their guidance was lower due to their exposure to middle east region and some margin pressure in one of their businesses.

Honeywell Aerospace

Honeywell Aerospace faced severe supply chain headwinds in its critical components (such as components and bearings), which may take several quarters to rectify and is mostly outside of their control.

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