This is a marketing communication. Please refer to the fund prospectus and offering documents, including the Key Information Document ("KID") or Key Investor Information Document ("KIID") as applicable, before making any final investment decisions. Investors should note that by making an investment they will own shares in the fund, and not the underlying assets.

Neuberger Berman Commodities Fund

PORTFOLIO MANAGERS: HAKAN KAYA, PHD AND DAVID WAN

Performance Highlights

In the second quarter of 2026, the Neuberger Berman Commodities Fund USD I Accumulating Class (the "Fund") generated a cumulative total return of -5.54% (net), outperforming its benchmark, the Bloomberg Commodity Total Return Index (BCOMTR) (Total Return, USD), which returned -8.08%.

Past performance does not predict future returns

PERFORMANCE (%)[1]	1m[2]	3m[2]	YTD[2]	1y[2]	3y[3]	5y[3]	10y[3]	SI[3,4]
USD I Accumulating Class	-8.56	-5.54	16.07	28.45	13.45	-	-	9.96
Benchmark (USD)	-8.54	-8.08	14.36	25.46	11.69	-	-	7.03

12 MONTH PERIODS (%)[1]	Jun16 Jun17	Jun17 Jun18	Jun18 Jun19	Jun19 Jun20	Jun20 Jun21	Jun21 Jun22	Jun22 Jun23	Jun23 Jun24	Jun24 Jun25	Jun25 Jun26
USD I Accumulating Class	-	-	-	-	-	-	-7.31	6.93	6.30	28.45
Benchmark (USD)	-	-	-	-	-	-	-9.61	5.00	5.77	25.46

CALENDAR (%)	2017	2018	2019	2020	2021	2022[5]	2023	2024	2025	2026[6]
USD I Accumulating Class	-	-	-	-	-	12.00	-6.52	6.30	17.43	16.07
Benchmark (USD)	-	-	-	-	-	4.89	-7.91	5.38	15.77	14.36

Benchmark: Bloomberg Commodity Total Return Index (BCOMTR) (Total Return, USD).
The fund is actively managed, which means that the investments are selected at the discretion of the investment manager. The Benchmark is used for performance comparison purposes. The fund's investment policy restricts the extent to which the fund's holdings may deviate from the benchmark, but the fund is not exclusively limited to the securities of the benchmark.
1. Performance to latest month end. YTD - Year to Date, SI - Since Inception, m – month, y - year. 12 month period based on month end NAVs.
2. Returns for these periods are cumulative.
3. Returns are annualised for periods longer than one year.
4. Returns from 09 February 2022 to latest month end.
5. Data shown since the share class inception date.
6. Performance for the current calendar year is the year to date.
Fund performance is representative of the USD I Accumulating Class and has been calculated to account for the deduction of fees. Investors who subscribe in a currency other than the base currency of the fund should note that returns may increase or decrease as a result of currency fluctuations. Fund performance does not take account of any commission or costs incurred by investors when subscribing for or redeeming shares. Source of all data and charts (unless stated otherwise): Neuberger. Date of all data and charts (unless stated otherwise): June 30, 2026.

Building Resilience During the Hydration Break

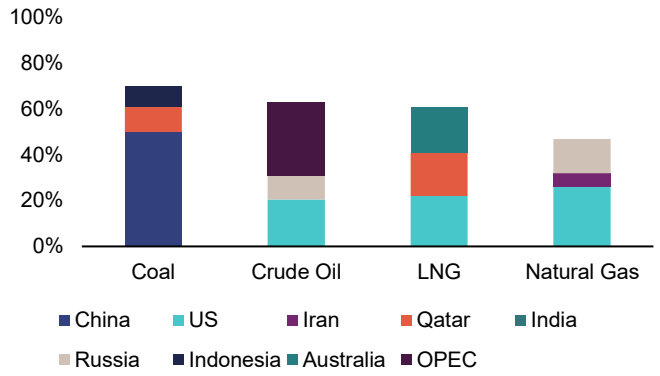
The current memorandum of understanding increasingly resembles a World Cup hydration break rather than a lasting settlement. Play has paused, but the underlying contest continues. The more important question for investors is how governments, companies and consumers behave during that pause.

Key Takeaways

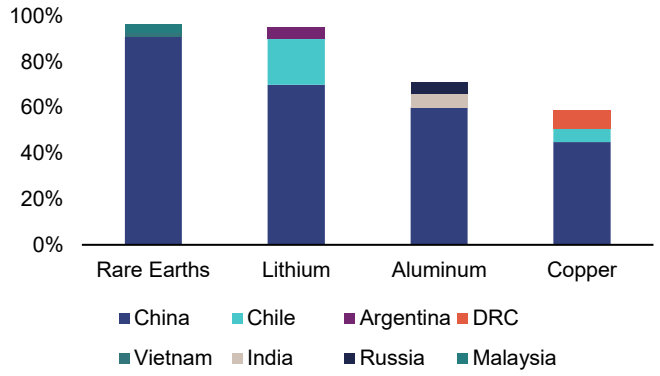
- The fears that supported commodities earlier in the cycle have faded, but the world has not returned to business as usual.
- Governments are spending more on energy security, strategic reserves, domestic industry and resilient supply chains. These decisions require physical materials and infrastructure.
- The Middle East remains unstable. The current memorandum of understanding is fragile, and a deal to make a deal can still end in no deal. Energy markets may be calmer, but they are not yet normal.
- AI, electrification and grid expansion are creating new sources of demand for power, metals and energy infrastructure that extend well beyond the traditional industrial cycle.
- We remain positive on commodities linked to these themes, particularly selected energy, base metals and precious metals where structural demand or supply constraints continue to support the outlook.
- Agriculture and livestock provide exposure to a different source of scarcity, driven by weather, food security concerns and supply cycles that can take years to rebuild.
- The common thread is resilience. A world seeking greater energy security, supply chain security and strategic independence is likely to require more commodities, not fewer.

FIGURE 1: THE WORLD'S COMMODITY SUPPLY CHAIN WAS BUILT FOR EFFICIENCY, NOT RESILIENCE

(a) Top 3 Producer Share



(b) Top Refiner Share in 2024



Source: EIA, IEA, WoodMac, CRU, Goldman Sachs GIR. As of June 2026.

The first half of the year challenged two of the strongest reasons investors had for owning commodities.

The first was geopolitical. The disruption around the Strait of Hormuz briefly threatened one of the most important energy trade routes in the world. Flows then recovered faster than many expected, supply chains adjusted and much of the war premium embedded in oil prices faded. That calm has since been tested by a serious rupture in the ceasefire framework, a reminder that the Battle of Hormuz never really ended and that the political scaffolding beneath the recent recovery is thinner than the price action suggests. Yet the more important observation is what happens between the flare ups.

The second was monetary. For several years investors have worried that rising fiscal deficits could eventually lead to financial repression or pressure on central bank independence. More recently, those concerns have eased. Markets interpreted the selection of the next Federal Reserve Chair as more hawkish than feared, leading to a partial unwinding of the debasement trade that had supported gold.

These developments removed two obvious reasons to own the asset class. Our conviction in commodities remains high because the larger investment implications come from the behavior these risks are likely to accelerate.

The Strait of Hormuz was effectively a stress test for the global economic system. Energy continued to flow. Trade continued to flow. The system adapted. That adaptation depended on the parts of the commodity system that investors often ignore when conditions are calm. Strategic reserves mattered. Inventory mattered. Alternative suppliers mattered. Energy diversification mattered. Domestic processing mattered. Flexibility mattered.

For most of the last three decades, resilience was rarely the primary objective. Supply chains were designed for efficiency. Inventories were minimized. Production migrated to wherever costs were lowest. Redundancy was often viewed as wasted capital.

The world ran on just in time.

It is increasingly moving toward just in case.

That shift extends well beyond inventory management. Higher inventories require storage. Strategic reserves require material to be accumulated before it is needed. Redundant supply chains require additional capacity. Energy diversification requires additional infrastructure. Each of those decisions requires physical investment. Each of those decisions is commodity intensive.

The policy response to the Hormuz disruption may ultimately prove more important than the disruption itself.

One way to think about this is the **Globalization of the Chinese Model in a Regime of Deglobalization**.

The phrase sounds paradoxical, but the investment logic is straightforward. Trade relationships are becoming more fragmented, yet governments are increasingly arriving at similar conclusions.

Strategic reserves matter. Energy security matters. Domestic processing matters. Critical mineral supply chains matter. Grid resilience matters. Industrial capacity matters.

For years many observers viewed China's strategic petroleum reserves, refining capacity, power infrastructure and critical mineral supply chains as excessive. Recent events encourage a different interpretation. Countries with strategic inventories had more options. Countries with diversified energy systems had more options. Countries with domestic processing capacity had more options.

Resilience is usually built before a crisis arrives.

That lesson is likely to travel.

The implication is that more countries may now pursue similar objectives at the same time. Strategic stockpiling. Energy diversification. Domestic refining and processing. Stronger grids. Greater redundancy in critical supply chains.

Scale comes from simultaneity.

One country building strategic reserves is manageable. Many countries trying to build strategic reserves at the same time create a different demand environment.

One country expanding domestic processing capacity is manageable. Many countries trying to reduce strategic dependence at the same time require a much larger physical investment cycle.

Globalization rewarded concentration and efficiency. Deglobalization rewards redundancy and resilience. A system built around the lowest cost supplier tends to reduce inventories and spare capacity. A system built around reliable access tends to increase them.

That is why we believe the opportunity remains in front of us.

Strategic petroleum reserves still need to be expanded. Critical mineral stockpiles still need to be accumulated. Electrical grids still need to be upgraded. Processing capacity still needs to be built. Supply chains still need to be diversified. Energy systems still need to become more resilient.

These are multiyear capital expenditure programs.

They require capital.

They require materials.

They require commodities.

The same logic applies to artificial intelligence.

Much of the discussion around AI focuses on software, models and computing power. The physical requirements receive less attention. Data centers require electricity. Electricity requires generation, transmission, storage and fuel. Power systems require copper, aluminum, steel, cement and other raw materials.

Digital demand ultimately becomes physical demand.

Every technological revolution eventually runs into the physical world.

The race may increasingly be fought with bits rather than bombs, but it still requires power stations, electrical grids, semiconductor facilities and vast quantities of materials.

In many ways this is emerging as a new space race. The competition is increasingly economic, digital and industrial. Success depends on power systems, supply chains, processing capacity and access to strategic resources.

The battlefield may be digital.

The inputs remain physical.

A similar evolution is taking place within energy markets.

Only a few years ago, most conversations centered on decarbonization. Today, energy security, energy diversification, grid resilience and strategic independence increasingly sit alongside climate objectives.

The destination remains broadly similar. The motivation is broader.

That distinction matters because investments justified on national security grounds are funded differently from investments justified purely on commercial grounds.

A refinery built for profit is judged on commercial return.

A refinery built for strategic independence is judged on availability.

A strategic stockpile does not need to maximize return on capital.

It needs to be there when it is needed.

When commodities are viewed primarily as economic inputs, the objective is to minimize cost.

When commodities are viewed as strategic assets, the objective is to guarantee access.

That shift has important implications for future capital spending.

Whether investment ultimately flows into natural gas, nuclear power, renewable energy, battery storage, transmission infrastructure or domestic refining capacity, the common denominator is increased demand for physical assets.

Gold fits naturally into this broader resilience framework.

The easing of concerns around Federal Reserve credibility has removed one of gold's recent tailwinds. At the same time, softer energy prices at various points this year have reduced inflation pressures and may eventually reduce expectations for additional tightening. That would ease one of the traditional headwinds facing gold.

Recent events also demonstrated how gold functions during periods of stress.

Gold was held as a reserve asset. It was also used as a reserve asset.

Periods of disruption highlighted that gold can be mobilized when liquidity becomes valuable. Strategic petroleum reserves provide energy security. Gold reserves provide liquidity security.

Both serve a purpose in a world increasingly focused on resilience.

That observation may prove important for central banks. Countries seeking resilience may conclude that energy security, commodity security and liquidity security all deserve a place within national reserve frameworks.

Viewed together, these developments point in the same direction.

A world that holds more inventories consumes more commodities.

A world that accumulates strategic reserves consumes more commodities.

A world that diversifies energy systems consumes more commodities.

A world that builds redundant supply chains consumes more commodities.

A world that expands electrical infrastructure consumes more commodities.

A world experiencing the Globalization of the Chinese Model in a Regime of Deglobalization consumes more commodities.

The result may be a world that emerges from this decade more commodity intensive than the one that entered it.

Yet commodities remain under owned relative to the scale of the investment programs now underway.

So what?

The investment case for commodities no longer depends upon another Hormuz disruption.

Nor does it depend upon another inflation scare or another round of debasement concerns.

The more important observation is that behavior has changed.

Governments are allocating capital differently.

Corporations are allocating capital differently.

Central banks are allocating reserves differently.

The move from just in time to just in case is still unfolding.

The buildout of AI infrastructure is still unfolding.

The shift from energy transition to energy security is still unfolding.

The accumulation of strategic reserves is still unfolding.

The Globalization of the Chinese Model in a Regime of Deglobalization is likely to accelerate.

The global push for resilience is becoming more urgent as supply chains fragment, strategic competition broadens and countries seek greater control over the materials, energy systems and infrastructure on which their economies depend.

These are multi-year developments.

They require capital.

They require materials.

They require commodities.

The fear premium has faded.

The resilience premium is still being built.

That, in our view, is where the opportunity lies.

Energy: The Squeeze Is in the Barrel You Actually Burn

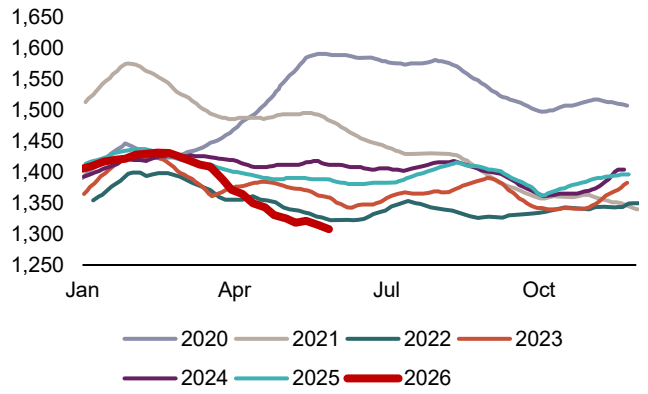
Let's start with the honest part. On the surface, the near-term picture in oil looks difficult. The war premium had largely evaporated by early summer, OPEC plus resumed adding barrels, tanker flows through Hormuz partially recovered and most forecasts now point to a crude surplus extending into 2027. Positioning tells the same story. Managed money shorts in Brent have climbed to the highest percentile of the last several years and the market moved from worrying about scarcity to pricing abundance. We have reduced our own energy exposure to reflect this and the growing range of risks surrounding the outlook. The easy scarcity trade is behind us.

Before we get into the fundamentals, one observation on the tape. The market spent the last few months treating each successive Hormuz episode as smaller than the last, on the reasoning that traders only really care about two binary questions, will Iran close the Strait and will the war escalate into a ground conflict, and the answer to both has kept coming back as no. That framework has just been tested more seriously than at any point since the original ceasefire was signed. Sanctions waivers have been revoked, retaliatory strikes have resumed, and the political willingness to keep the memorandum alive has visibly thinned. Whether this hardens into something worse or is patched together into another tenuous truce, the pattern is now clear. This is a cycle of violence in which agreements are signed, provocations follow, retaliation follows, and the market reprices in both directions on the same week. The Battle of Hormuz never really ended, and the recent calm depended on a political architecture that has just shown how quickly it can come apart. We would rather own a smaller position that survives the next episode than a larger one that depends on the current framework holding.

The reason we still retain exposure is that the earlier recovery solved some problems without solving all of them. During the disruption, the market rebalanced by using buffers. Strategic inventories were drawn down, demand was postponed and product output was squeezed into parts of the system. The partial reopening of Hormuz then released a large volume of stranded barrels that had already been produced and were waiting for a route to market. Those barrels helped the market breathe. They say much less about how quickly damaged facilities, disrupted logistics and impaired production can return to normal. The first phase of recovery came from making existing barrels available. The next phase depends on production, infrastructure and logistics that recover on a slower clock, and the recent rupture in the ceasefire framework has pushed that next phase further into the future.

FIGURE 2: REFINED PRODUCT INVENTORIES CONTINUE TO DECLINE

Global Total Products Stocks (M Bbls)



Source: S&P Global, Macquarie Macro Strategy. As of June 2026.

That distinction matters because the product market still looks tight. Crude prices have fallen while refining margins have stayed firm, and Figure 2 shows global refined product stocks sitting below even the lows reached during the 2022 energy crisis. China has cut its crude imports, yet refined product exports have not filled the gap the rest of the world would normally lean on in this environment. It looks like everyone is counting China's missing crude barrels. Almost nobody is counting China's missing product exports. Beijing's recent decision to roll back some product export restrictions may eventually change that, though the more immediate effect is likely to be Chinese refiners scaling up crude purchases first. Russia adds another layer to the same story. Ukrainian drone strikes against Russian refineries, terminals and energy infrastructure continue to pressure the part of the system that turns crude into usable fuel, and Russian gasoil exports have been restricted through the summer. The conversation a year ago centered on crude production. Today a growing share of the stress appears concentrated in refining, logistics and products.

Mideast Gulf diesel and gasoil exports also remain well below pre-war levels, and together with the Russian shortfall they account for roughly a fifth of pre-war waterborne gasoil exports. Refined product stocks began the summer below the five-year range and remain sensitive to unplanned refinery outages, an unusually hot European summer and the summer peak season for road and aviation fuels when demand sensitivity to any supply disruption is already elevated. European refiners that rely on cooling to run their units are exposed to that heat in a way the market has not yet priced. The squeeze is in the barrel you actually burn, and the buffers that would normally absorb an incident have been thinned down.

There is also a wide gap between a reopened Strait of Hormuz and a normalized one, and the recent rupture has widened it further. The memorandum of understanding between the United States and Iran has always been closer to a Memorandum of Misunderstanding than a peace treaty, and a deal to make a deal can still end in no deal. Behind the on and off again negotiations and tit for tat military strikes sits a medium grade struggle for control of the Strait, with Iran continuing to mine the middle lane and interfere with commercial vessels transiting the corridor. Shipowners face what one strategist called an untenable operational choice between running the narrow Omani lane under the risk of live fire or complying with the terms of the IRGC to access the potentially safer Iranian lane. Daily transits remain well below pre-war averages, several million barrels a day of production remain offline, and current balances continue to depend on Iranian barrels reaching the market under a temporary sanction free framework whose durability is now openly in question. The difficult questions around long-term governance, payment mechanics, shipping security and insurance remain unresolved. Several major shipowners remain reluctant to return in size, insurance costs have repriced higher and tanker traffic remains uneven. The Gulf is open again, but it is trading with a memory.

Every subsequent flare up along the way has been treated by the market as a smaller event than the last. That has been the wrong reflex for the recent rupture, and it is worth noting that the risk of a catastrophic incident, potentially involving an LNG tanker, is exactly the sort of tail that does not need to be probable to be portfolio relevant. Every renewed cycle of violence keeps a firm ceiling on the number of vessels willing to transit the Strait and reminds us that peace in our time headlines is cheap and durable settlements are not.

Demand also looks more resilient than the current narrative gives it credit for. China has softened, and that matters. The rest of the picture is more encouraging. US oil demand has been running well ahead of expectations, gasoline demand is still growing, and Indian consumption continues to expand at a healthy pace. Demand destruction often reverses quickly once prices fall and uncertainty clears, particularly across emerging markets, where affordability drives behavior. The Hormuz disruption forced many countries to conserve fuel, delay purchases and rely on inventories. Every window in which the Strait functions gives countries that spent months worrying about energy security a chance to rebuild reserves while the route is open. Demand can make a V shaped recovery, especially where high prices destroyed consumption temporarily.

Supply follows a different rhythm. The first leg of any recovery in the region has come from un-trapping barrels already floating in the system. Those barrels are finite. The next leg requires production to return, facilities to be repaired, export logistics to function and shipowners to regain confidence, which rarely happens at the speed of a tanker leaving anchorage. Producers affected by the war are still in build back mode, and damaged infrastructure does not restart on the schedule of a policy announcement. Supply is more likely to trace a U-shaped recovery once the easy barrels have already been released.

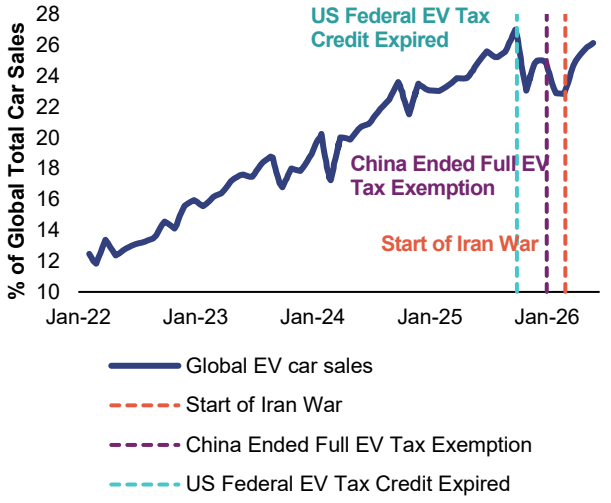
This is why we have reduced exposure while retaining a smaller position. We have less interest in calling the bottom in crude and more interest in owning the parts of the system where flexibility has become scarce. The biggest dislocations have moved downstream, where inventories are thin, refining capacity is constrained and disruptions are harder to replace. The market appears increasingly comfortable with crude balances. We are less convinced that the same comfort exists in products, refining and logistics. The glut, if there is one, is in crude. The squeeze is in the barrel you actually burn. That is enough for us to stay involved, even at a lower weight.

Base Metals: The Infrastructure of Resilience

The resilience story told in the macro section eventually has to be built out of something. Grids, data centers, refineries, electric vehicles, storage systems and strategic reserves all share the same physical vocabulary. Copper. Aluminum. Tin. Zinc. When countries decide that energy security matters more than energy price, the balance sheet of that decision is written in base metals.

FIGURE 3: ENERGY SECURITY CONCERNS ARE ACCELERATING ELECTRIFICATION

Global EV Car Sales: Nowcast (Seasonally Adjusted)



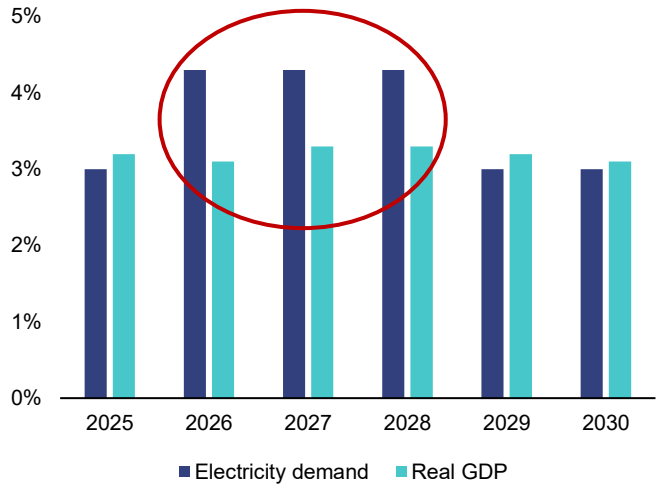
Source: IEA, Goldman Sachs GIR. As of June 2026.

The Iran episode was instructive. What caught our attention was not the disruption itself but the response. Electric vehicle sales moved higher during the flare up, Chinese solar exports strengthened and the pace of government conversations around grid investment picked up noticeably. A single episode does not establish a long term trend, but the direction is telling. Energy security concerns appear to be reinforcing the electrification agenda rather than competing with it.

That agenda is arriving into a very specific supply reality. Electricity demand in developed markets sat at roughly two tenths of a percent for the better part of two decades. It is now running closer to two to three percent, and in several regions is expected to grow faster than the underlying economy. This implies a sustained investment cycle in generation, transmission and distribution that is only just beginning.

FIGURE 4: ELECTRICITY DEMAND IS GROWING FASTER THAN THE ECONOMY

Global Electricity Demand and Real GDP Growth

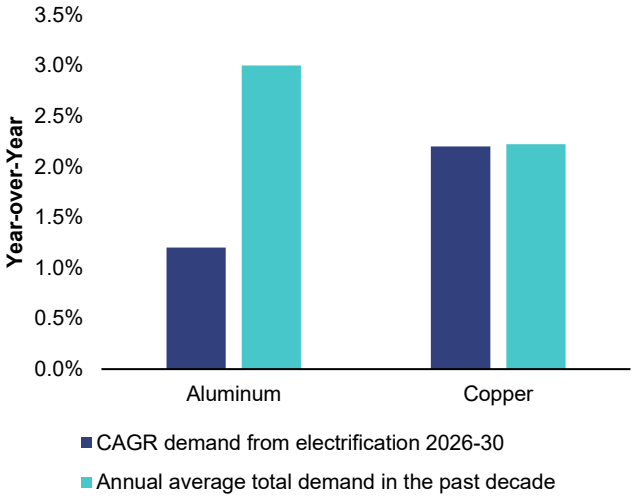


Source: IMF, IEA, BofA Global Research. As of June 2026.

The scale of what follows is easy to underestimate. On our reading of the electrification pipeline, the three big pillars of the buildout, the grid, data centers and electric vehicles, could deliver more copper demand growth over the next five years than the entire copper market absorbed in the past decade. One metal, three end uses, one growth cycle.

FIGURE 5: ELECTRIFICATION ALONE COULD DELIVER AS MUCH COPPER DEMAND GROWTH IN THE COMING YEARS AS THE ENTIRE MARKET ABSORBED IN THE PAST DECADE

Total Demand Growth And Demand Growth From Electrification Sectors (Grid, Data Centres/ AI And EVs)



Source: IEA, S&P, BNEF, Wood Mackenzie, CRU, BofA Global Research. As of June 2026.

Governments have understood this. The United States now includes every exchange traded base metal on its critical minerals list, alongside battery materials and rare earths. The policy toolkit has broadened from tariffs to include import caps, minimum price floors, stockpiling programs and direct state involvement in early

stage mining. Europe is following with its own electrification action plan. China continues to raise the electricity share of final energy demand by roughly a percentage point a year. Different systems are arriving at similar conclusions at roughly the same time.

We remain mindful of cyclical risks. Manufacturing activity is uneven, parts of Chinese property remain weak and demand across some traditional end uses has softened this year. We accept that. The point is that the demand base for the metals we own is now broader than in previous cycles. Traditional industrial usage continues to matter, but electrification, power infrastructure and energy diversification sit alongside it, and these sources of demand are less sensitive to the ordinary industrial cycle.

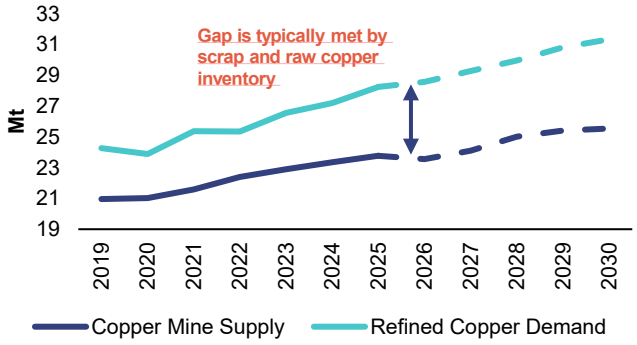
That is why we remain overweight the base metals we favor, and why the composition of that overweight matters. In our portfolio we are overweight copper, aluminum, tin and zinc, and underweight nickel. The reasoning behind each follows below.

Copper: The Buildout Runs on Copper

Copper is the clearest expression of the electrification thesis in our portfolio. Every mile of new transmission line, every data center, every electric vehicle and every additional gigawatt of generating capacity ultimately draws on copper. The demand story is well understood by the market. The supply story is not, and the structure of that demand has quietly changed in a way that matters for how we think about risk.

Roughly 18% of copper demand now comes from energy transition and AI related segments, and these have driven almost all of the demand growth since 2022[1]. That share is what has kept copper prices elevated through a period of soft Chinese property and weak global manufacturing. It also means that a normal cyclical downturn no longer looks like a normal cyclical downturn for copper. A hit to cyclical demand would leave total refined copper demand broadly flat, because structural growth offsets it. This is why we are comfortable owning copper into a period of macro uncertainty. The base of demand has broadened, and the sources of that demand are less sensitive to the ordinary industrial cycle.

FIGURE 6: COPPER DEMAND CONTINUES TO OUTPACE MINE SUPPLY THROUGH THE END OF THE DECADE

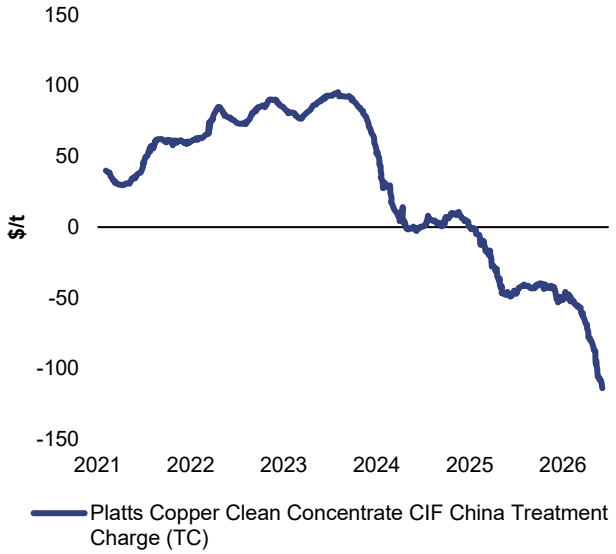


Source: Wood Mackenzie, CRU, S&P Global Market Intelligence, SMM, ICSG, Goldman Sachs GIR. As of June 2026.

Grid and power infrastructure are expected to drive over 60% of copper demand growth by 2030, alongside boosts from electric vehicles, renewables, data centers and defense[2]. Investment in aging Western power grids is increasingly a national security priority, tied to AI competitiveness and energy security. Copper is shifting from a mainly cyclical input into a strategic asset.

The supply side is where the market has been consistently mispricing. Mine supply is expected to grow at roughly half its trend pace over the next twelve to eighteen months[3]. Scrap availability has failed to respond to higher prices in the way it usually does, with Chinese scrap imports broadly flat this year despite copper trading materially above last year's levels. That is unusual, and it points to a structurally tighter scrap market rather than a temporary lag. Concentrate treatment charges have fallen to all time lows, which is the market's own way of telling us that smelter demand for concentrate exceeds available supply[4].

FIGURE 7: COPPER TREATMENT CHARGES HAVE COLLAPSED AS SMELTERS COMPETE FOR SCARCE CONCENTRATE



Source: Citi Research, CME Group, LME. As of June 2026.

The tightness is not simply a 2027 forecast. It is already visible in the ex-US market. Sustained US import pull since early 2025 has tightened balances outside the United States and briefly took prices to over $14,000 earlier this year. The market has been in a US and China tug of war for copper, and China's buying floor has shifted materially higher as a result[5].

The near term picture remains more balanced. We think the market walks a fairly narrow range through the summer as Section 232 uncertainty caps enthusiasm and softer Chinese renewables reporting weighs on headline demand indicators[3]. By the autumn we expect that mix to change. A more accommodative Federal Reserve, greater market focus on 2027 balances and the structural demand backdrop should reassert themselves. Our view is that copper reaches new highs within twelve months.

[1] Citi Research, Metal Matters: Copper's growing structural resilience to a cyclical growth shock, 8 May 2026.
[2] Goldman Sachs Global Investment Research, *Commodity Views: From Energy to Metals, Why to Still Diversify Into Commodities*, 28 June 2026.
[3] Citi Research, *Metal Matters: We expect copper price upside from September with medium term bullish view intact*, 8 July 2026.
[4] Goldman Sachs Commodities, *Traders Take Series: Base Metals*, 8 July 2026.
[5] J.P. Morgan Global Commodities Research, *Copper: Where we're going, we don't need balances*, 21 June 2026.

The Section 232 tariff review adds an asymmetric optionality on top of that. If a tariff is announced, London prices have meaningful upside as ex-US markets tighten. If no tariff arrives, we lose some short term COMEX premium but the structural picture is unaffected. Either outcome is compatible with our position.

Copper is priced today on cyclical anxiety. It is owned by us for structural conviction. The gap between demand and mine supply is not a forecast to be argued over. It is a chart that widens every year.

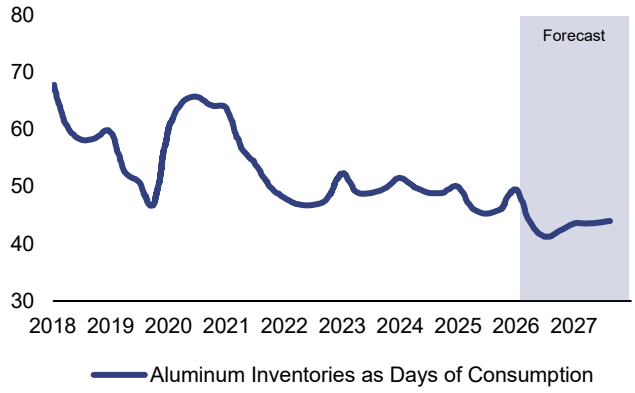
Aluminum: A Different Kind of Squeeze

Aluminum ran hard in the first half of the year and then gave back a significant portion of those gains. The correction has not changed the shape of the market, which remains structurally tight.

The Middle East supply shock earlier this year removed a substantial share of value-added product capacity from the market. The supply chain absorbed that shock by drawing down inventory and pulling forward Chinese semis exports. Those buffers can be refilled once, and they have been. They cannot be refilled a second time without a meaningful restart of Middle East capacity, which is now caught in the same geopolitical uncertainty that hangs over crude and products.

The bearish case rests on future supply. Indonesian expansion is real, and margins are strong enough to incentivize it. We accept that the surplus narrative for 2027 and beyond has some substance. The question is whether that supply arrives in time to prevent the physical market from tightening further in the meantime. Our answer is no, and even on schedule, high prices are required to incentivize it and to encourage scrap recovery.

FIGURE 8: GLOBAL ALUMINIUM INVENTORIES, MEASURED IN DAYS OF CONSUMPTION, SIT AT MULTI DECADE LOWS



Source: Bloomberg, CRU, Goldman Sachs Global Investment Research. As of June 2026.

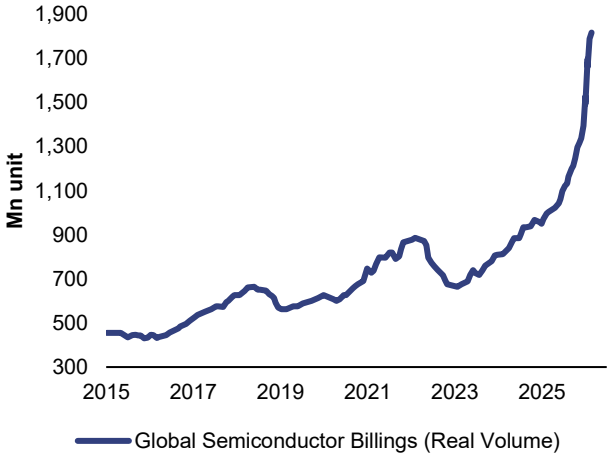
We also draw comfort from an underappreciated development on the supply side. China continues to enforce its aluminum production capacity cap. That single policy choice removes the main source of elastic supply growth from the global market, and it is a bullish delta relative to what most investors assumed a year ago.

One development often overlooked in the aluminum debate sits on the demand side. Grid investment, particularly in ultra high voltage transmission, is becoming increasingly aluminum-centric rather than copper-centric[6]. As grid buildouts accelerate globally, aluminum captures a share of the electrification demand that would previously have flowed to copper. In a market where inventories are already at multi decade lows and Chinese production is capped, an incremental demand tailwind of this scale matters.

Aluminum is a market where the bull case does not require geopolitical disruption to work. It works in the wings if disruption returns. It also works quietly if it does not.

Tin: Where AI Meets a Small Market

FIGURE 9: GLOBAL SEMICONDUCTOR BILLINGS ARE RUNNING 71% HIGHER YEAR ON YEAR, DIRECT EVIDENCE OF THE ELECTRONICS CYCLE DRIVING TIN DEMAND

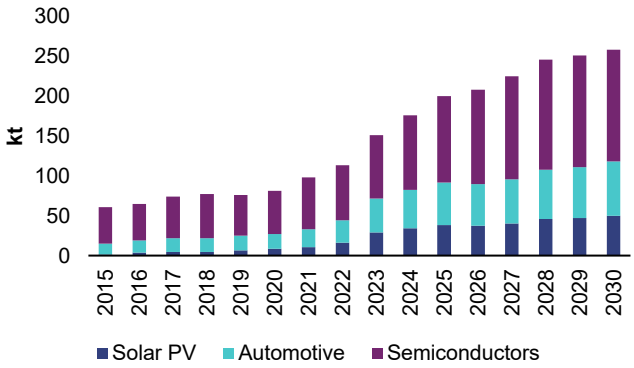


Source: WTS, US BLS, Macrobond, Macquarie Strategy. As of June 2026.

Tin often escapes attention because the market is small. That is exactly why we like it. Roughly half of global tin demand comes from solders used in electronics and semiconductors, which gives it direct exposure to the AI buildout, data centers and industrial automation.

FIGURE 10: TIN SITS AT THE INTERSECTION OF THE ENERGY TRANSITION AND THE AUTOMATION CYCLE

Tin Demand From The Energy Transition And Increased Electrification



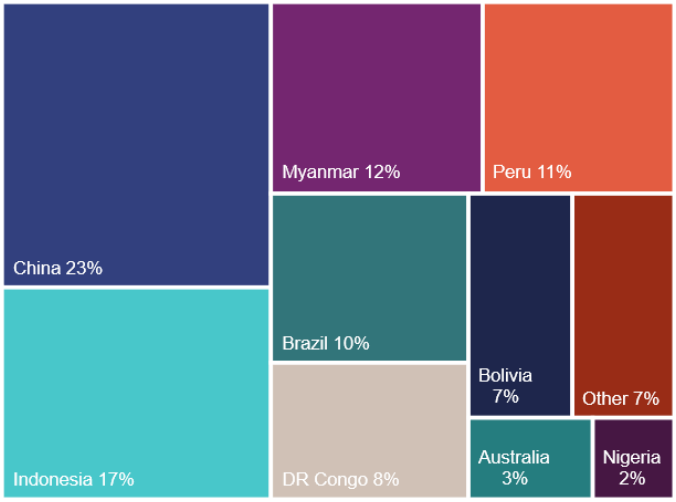
Source: Bloomberg NEF, Rho Motion, Macquarie Strategy. As of June 2026.

[6] BNP Paribas Markets 360, *Copper: Pricing scarcity in a time of plenty*, 27 April 2026.

The demand side of the tin story is running visibly hot. Global semiconductor billings rose 71% year on year in the first quarter, a step change rather than a normal cyclical rebound[7]. Every additional server, every additional accelerator, every additional piece of edge hardware carries tin into the physical supply chain through the solder joint. When digital demand becomes physical demand, tin is one of the metals it becomes.

FIGURE 11: TIN SUPPLY SITS IN A HANDFUL OF JURISDICTIONS WHERE POLICY RISK IS THE NORM, NOT THE EXCEPTION

Global Tin Mine Supply By Country (2024, Total ~300kt)



Source: Citi Research, USGS, TDM, MINEM.

Zinc: The Quiet Tightening

Zinc has been the underachiever of the base metals complex on the surface, and we understand why the market has been slow to reward it. The Chinese refined market is well supplied, Shanghai inventories have been slow to draw and headline narratives have focused on eventual refined surpluses. Looking at the surface has been a mistake. The physical market beneath it is in one of the tightest configurations we have seen in years.

Start with the price signal. From Bloomberg, we see London Metal Exchange zinc is trading around a quarter higher year on year. LME warehouse stocks have collapsed to levels equivalent to less than one full day of global consumption. The LME cash to three-month spread has flared into the widest backwardation since 2022. When time spreads price at this level, the market is telling us that buyers will pay a real premium for immediate delivery.

Move upstream and the reason becomes clear. Zinc concentrate treatment charges have collapsed into deeply negative territory, meaning smelters are now paying miners to take concentrate rather than the other way around. Imported concentrate treatment charges hit record lows of minus fifty dollars per ton in June and have fallen further into July, extending negative by more than seventy dollars per dry ton on the latest assessments[8]. Treatment charges reflect how badly smelters need concentrate to run their plants. When they turn deeply negative, the market is telling us that mine supply is meaningfully short of smelter demand.

This concentrate crisis has specific, named causes that are not going away quickly. War in the Persian Gulf has halted zinc concentrate shipments from the Iranian port of Bandar Abbas[9]. The Ozernoye mine in Russia, expected to be one of the largest new sources of global zinc supply, remains stalled at flat production due to technical issues in its ramp up. Shipments from the Castellanos mine in Cuba have been halted after its part owner told Chinese customers they would not receive shipments due to US sanctions. Each of these disruptions is real, ongoing and beyond the reach of near term market forces.

The physical response is now visible in refined output. Chinese refined zinc production fell more than three percent in June year on year and is projected to fall nearly nine percent in July[10]. Sixteen Chinese zinc smelters representing roughly three quarters of Chinese primary capacity have agreed to curb concentrate use by 600,000 to a million tonnes this year. Those same smelters are lobbying Beijing to introduce aluminum style supply caps[4]. Smelters do not voluntarily reduce throughput when the physical market is comfortable. They reduce because the concentrate market has forced their hand.

This is the sequence that matters for the price. Concentrate shortage has forced smelter cuts. Smelter cuts reduce refined output at the very source that has been generating the ex-China refined surplus. As Chinese refined production falls, the release valve that has been keeping ex China prices from rerating fully closes. The London market is already tight enough that inventories cover less than a day of consumption and time spreads are pricing scarcity. Removing incremental Chinese refined output from that equation is what turns a regional dislocation into a broader repricing.

Mine supply also matters here, and it matters against the bears. After multi year highs in 2025 driven by a temporary Antamina production surge, that mine's output is scheduled to fall sharply in 2026 and again in 2027 as management extends the life of the deposit[11]. The pipeline of new projects that would replace that supply is thinner and slower than the market has been pricing.

Zinc has been the trade that has taken the longest to work in the base metals complex, which is precisely why we still like it. The catalysts are already visible in inventories, treatment charges, curve structure and smelter behavior. Most of that chain is still not priced. When it works through, zinc has more room to rerate than most metals in the complex because so little of that outcome is currently in the price.

Risks worth being honest about. The bearish case rests on a specific sequence of events. New mine supply arrives faster than expected in 2027, which would loosen the concentrate market and reverse the pressure on smelters. Chinese refined production stabilizes rather than continuing to fall. The Iran, Russia and Cuba supply disruptions resolve simultaneously. Refined demand disappoints, particularly in construction and galvanized steel, which together account for the majority of end use. If two or more

[7] SG Cross Asset Research, Commodity Compass Analytics: Mind the Gap, 29 June 2026.
[8] Fastmarkets and SMM imported zinc concentrate treatment charge assessments, June and July 2026

[9] BMO Capital Markets, *Q2 2026 Metals & Bulk Commodity Price Update: Speed Bump, Next Stop*, April 2026; and Macquarie Strategy, *Commodities Compendium: Losing my Religion*, 24 June 2026
[10] SMM Chinese refined zinc production data, June 2026 actual and July 2026 estimate.
[11] Citi Research, *2026 Commodity Outlook*, December 2025.

of those play out together, the concentrate tightness alone will not be enough to hold prices at current levels. We accept that risk. Our position size reflects it. Zinc is a smaller overweight for us than copper or aluminum because we hold the position with a clear view of what could go wrong, not despite one.

Zinc is a quiet trade in a small market. Those are usually the ones that pay best when they finally speak up.

Nickel: The One We Underweight

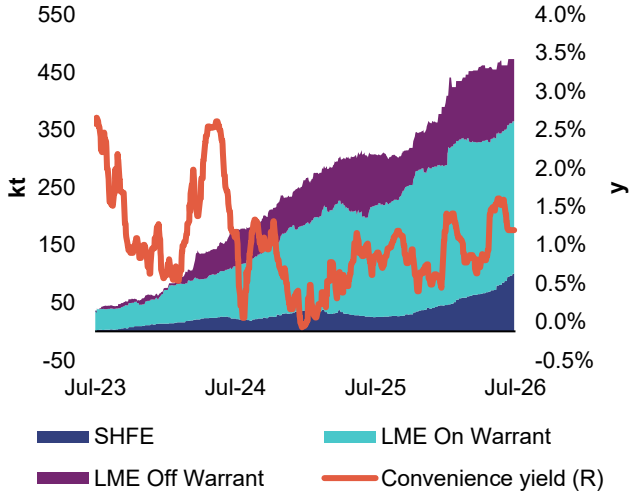
Nickel is the one metal in our base metals portfolio where we sit underweight. Where copper, aluminum, tin and zinc show clean setups with tight physical markets and identifiable catalysts, nickel shows the opposite. The reasoning is straightforward.

Start with what has happened. The nickel market has tightened this year. Indonesian ore quotas have been reduced, sulphur costs surged during the Middle East disruption and HPAL production cost floors moved sharply higher[12]. Prices responded by rallying from the mid teens to touch $20,000 earlier this year before easing back.

This is the point at which the market usually gets excited about a metal. We think it is the point at which the risk reward turns against a heavier position.

The first reason is inventory. Almost 700,000 tonnes of class 1 nickel stocks still sit on and around the exchanges, with visible inventory continuing to build through 2026[13]. Convenience yields remain near zero, meaning forward curves are trading close to the full cost of finance. That is the market's own way of telling us there is no scarcity in refined metal. When a market is genuinely tight, curves invert. Nickel's are not inverted. They are quietly telling us there is more than enough metal.

FIGURE 12: VISIBLE NICKEL INVENTORY CONTINUES TO CLIMB THROUGH 2026, SIGNALLING NO SHORTAGE OF UNITS



Source: Citi Research, Bloomberg, LME, SHFE. As of June 2026.

The second reason is that the recent tightening is largely a policy trade, and policy trades are only as durable as the policymaker. Indonesia has moved to a one-year ore permitting system, delayed supplementary approvals and cut Weda Bay's 2026 quota sharply. The government has also raised royalties and tightened compliance enforcement[13]. Each of these steps has supported prices. Each of them can also reverse. Supplementary approvals are typically granted in the third quarter. Producers are already lobbying for more supply, and Chinese investors are exploring nickel projects outside Indonesia in response to policy pressure[14]. Building a strategic overweight around a policy driven bull case requires trusting a government whose policy has been anything but predictable.

The third reason is that the sulphur relief valve is now opening. With the Middle East ceasefire holding, sulphuric acid exports through the Strait of Hormuz are resuming. That directly reduces the cost pressure on Indonesian HPAL producers who had been cutting output on sulphur shortages earlier in the year[15]. One of the recent bullish supply drivers is therefore unwinding.

The fourth reason is that the dominant source of nickel demand is not participating in the electrification story the way the market sometimes assumes. Stainless steel accounts for roughly two thirds of global nickel demand and remains tied to a Chinese construction cycle that has not turned[13]. The battery market continues to grow, but its share of total nickel demand is still smaller than stainless, and the pace at which that growth translates into refined metal has been slower than the market expected[13]. Nickel benefits from the same electrification thesis that supports the rest of our base metals overweights. The difference is that copper, aluminum and tin capture that demand more directly and with less exposure to a single end market cycle.

We hold nickel because it belongs in a diversified base metals portfolio and because we recognize the tightening this year is real. We hold less of it than a benchmark position because the inventory overhang, the policy dependence of the bull case, the unwinding of the sulphur cost floor and the exposure to a single end market cycle do not justify a benchmark or overweight allocation. Portfolio construction is often about the metals we choose to underweight as much as those we choose to overweight.

Gold: The Debasement Theme Is Not Dead, Just Overshadowed

Gold is easier to explain when it is going up. This year it has not, and we should start there.

The rally that began with peak policy rates in 2023 relied on two conditions. Real yields were falling. Confidence in DM central bank independence was quietly eroding. Both have partially reversed this year. The selection of Chair Warsh was read by the market as a hawkish surprise, the first meeting under his chairmanship confirmed that reading, and the market moved from pricing cuts to pricing hikes into December. Real yields moved with it. Gold, mechanically, moved the other way. Since the end of February, prices have fallen almost every basis point higher in US ten-year real yields, and gold now sits materially below its January highs.

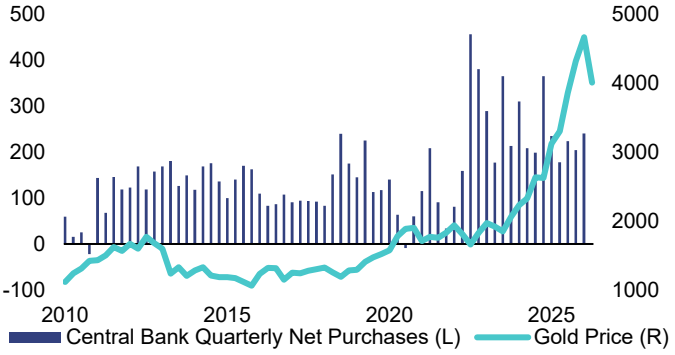
We accept that. The near-term path for gold has narrowed to Fed watching, and Fed watching has turned less friendly. We hold our position because the structural pillar under gold has not moved.

[12] .P. Morgan Global Commodities Research, Base Metals Supply & Demand Tracker: Nickel's cost floor jumps even higher, 2 May 2026.
[13] Macquarie Strategy, *Commodities Compendium*, 24 June 2026.
[14] Citi Research, *Commodity Outlook*, 18 June 2026.
[15] Morgan Stanley Research, *metal&ROCK: Nickel: Supply Down, Costs Up*, 22 May 2026.

Central banks are still buying, and the marginal EM buyer has not run out of room.

Official sector demand has moderated from the pace of 2024. It has moderated to a level that still sits several times above the pre-2022 baseline. On the more reliable London vault based measure, central banks have been accumulating gold at around fifty tonnes a month on a twelve-month moving average, versus roughly seventeen tonnes a month before the freeze of Russian central bank assets in 2022[16]. That pace has now held through hiking cycles, cutting cycles, dollar rallies and dollar reversals. Central bank buying has been largely insensitive to the gold price itself, which is consistent with a strategic allocation decision rather than a tactical one, and strategic allocations do not unwind because the Fed sounds hawkish for a quarter.

FIGURE 13: CENTRAL BANK ADDITIONS CONTINUE, AT A MORE SUBDUED BUT STILL HISTORICALLY ELEVATED PACE
Quarterly Central Bank & Other Official Sector Net Gold Purchases (Tonnes)

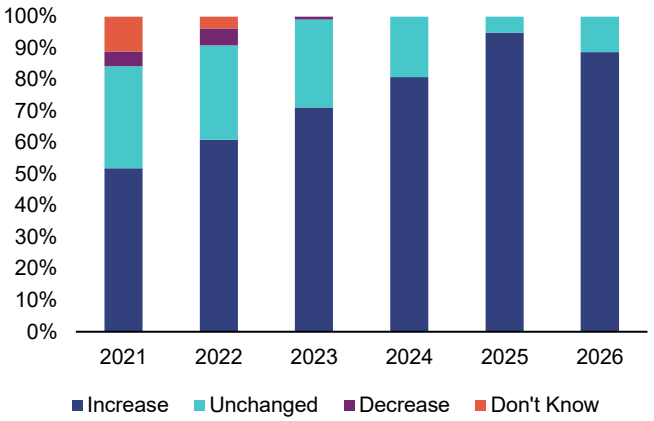


Source: World Gold Council, IMF, Macquarie Strategy. As of June 2026.

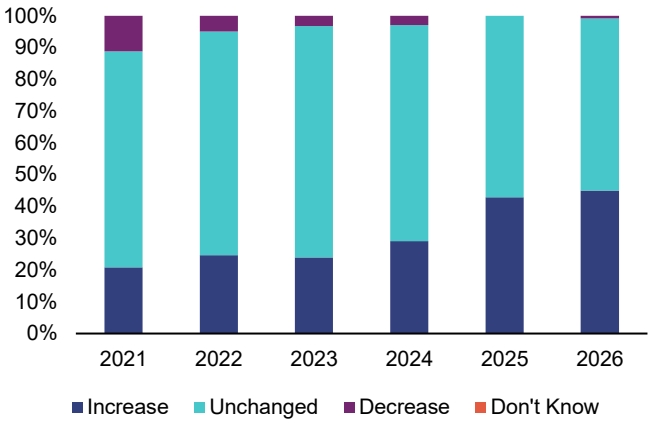
The forward signal is more encouraging than the headline flow. The most recent World Gold Council survey shows a record share of monetary authorities intending to increase their own gold reserves over the next twelve months, and roughly nine in ten expecting global central bank gold reserves to rise. Realized year to date buying has been modest and concentrated in a small handful of names, though the intention set is much broader than the realized set, and UK export data now show a clear acceleration into China after a weak April print[7]. The gap between intentions and prints is a timing gap.

FIGURE 14: THE RECENT WORLD GOLD COUNCIL CENTRAL BANK SURVEY SUGGESTS CONTINUED GOLD DEMAND, WITH A RECORD SHARE OF RESPONDENTS PLANNING TO ADD TO THEIR OWN RESERVES AND ROUGHLY NINE IN TEN EXPECTING GLOBAL RESERVES TO RISE

(a) How Do You Expect Global Central Bank Gold Reserves to Change Over the Next 12 Months?



(b) How Do You Expect Your Institution's Gold Reserves to Change in the Next 12 Months?



Source: World Gold Council, Goldman Sachs Global Investment Research. As of June 2026.

The deeper reason we expect this to persist sits in a simple stock comparison. Emerging market central banks still hold roughly half the gold that developed market central banks hold, measured as a share of reserves[17]. The catch up has years to run. In a world where the Russia and Iran episodes reminded every reserve manager how quickly access to a foreign currency can become a political variable, and where a majority of surveyed reserve managers already expect meaningfully lower US dollar holdings within global reserves over the next five years, the direction of that catch up is settled. Only the pace is open.

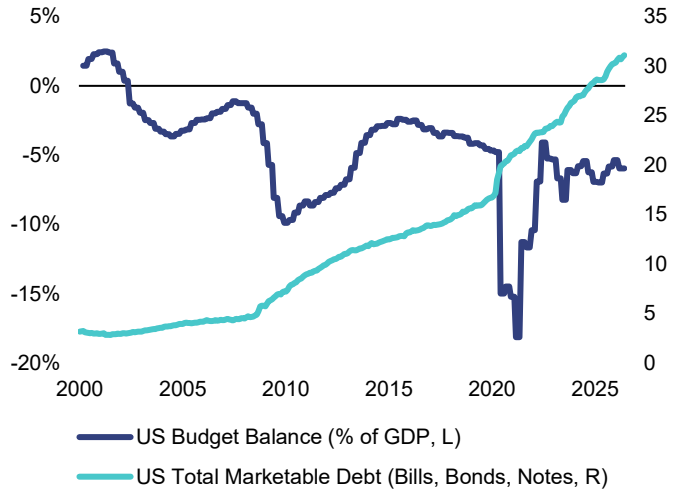
The debasement theme is not dead, just currently significantly overshadowed.

That phrase captures our own view. The Fed has become hawkish. The fiscal arithmetic behind gold has not improved for it.

[16] Goldman Sachs Global Investment Research, *Moderating Near-Term Gold Price Upside on No Fed Cuts This Year*, 18 June 2026.

US public debt continues to expand at around eight percent a year, above the CBO's own long term projection of six percent, and the budget deficit remains close to six percent of GDP with no realistic path to consolidation[17]. Foreign holdings of US Treasuries have declined even as issuance has risen. Every additional year of that arithmetic increases the value of a reserve asset that no government can print.

FIGURE 15: US GOVERNMENT DEBT CONTINUES TO RISE WITH THE BUDGET DEFICIT SEEMINGLY A PERMANENT FIXTURE



Source: Federal Reserve, Bloomberg, CBO, Macquarie Strategy. As of June 2026.

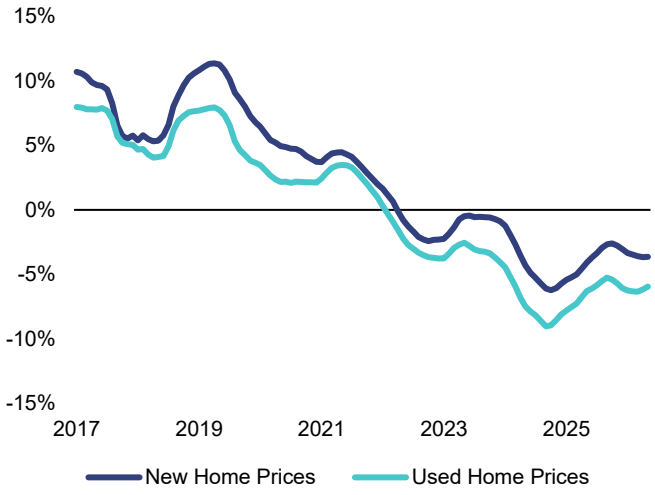
Gold's role in the resilience framework we described in the macro section sits alongside the base metals story. Strategic petroleum reserves provide energy security. Diversified supply chains provide commodity security. Gold reserves provide liquidity security. Countries that spent the last year worrying about all three are unlikely to conclude that only two of them matter.

The Chinese saver has fewer places to go.

There is a second, quieter demand channel that the market has underweighted. Chinese household wealth has traditionally sat in property. Property is now a wealth destroying asset in China, with both new and used home prices printing negative year on year growth for four straight years and no visible bottom. The traditional store of value has become a store of losses. Gold, physical bullion and gold linked products remain one of the few sanctioned alternatives that a Chinese saver can access. Chinese gold imports rose to multi year highs in April[18], and the Shanghai premium has swung around this year while the underlying flow story has remained intact. This is a slow moving demand tailwind that does not require a Fed cut to work.

FIGURE 16: CHINA HOME PRICES, NEW AND USED, REMAIN IN SUSTAINED YEAR ON YEAR CONTRACTION, LEAVING THE HOUSEHOLD SECTOR SHORT OF DOMESTIC STORES OF VALUE

China Home Prices



Source: Torsten Slok, Apollo Chief Economist. As of June 2026.

Positioning is light, and that matters.

One of the more overlooked features of the recent pullback is how thin gold's positioning has become. Speculative net length has fallen back toward the lower end of its historical range, futures open interest has dropped to a seventeen year low and the call option overhang that had accumulated into January has largely cleared. ETF holdings have undershot the level implied by the current level of the federal funds rate[19]. Gold is priced for the current Fed. It carries very little premium for a Fed that eventually cuts, or for the resumption of central bank buying that our own read of the flow data suggests is already beginning.

That asymmetry is what we want to own. If the Fed remains on hold, central bank accumulation and Chinese physical demand keep a floor under prices near current levels. If the Fed eventually resumes cutting into a still uncomfortable inflation backdrop, or if any of the ongoing geopolitical fault lines around Iran, Greenland or Venezuela accelerate the diversification trade, gold has a great deal of unspent optionality on the upside.

The bearish case is straightforward and we do not dismiss it. A Fed that actually delivers hikes into a resilient US macro picture could push real yields higher, take another leg out of ETF demand and force a further unwind of any residual call option overhang. A stronger dollar driven by renewed US exceptionalism, particularly if AI leadership becomes a widening US versus rest of world variable, would compound that. A stabilization in Chinese property could reduce the incremental Chinese saver bid. India's recent VAT increase on gold imports is also likely to suppress physical demand at the margin. These risks are real, they are visible in the current price, and they are the reason gold has spent the last several months trading heavily rather than breaking to new highs.

We hold gold through this because the mechanism that drove the last four years of the bull market remains in place. The

[17] Deutsche Bank Research, Precious Special Report: Hawks drive out bulls, 22 June 2026.

[18] BofA Global Research, Global Metals Weekly, 19 June 2026.

[19] Goldman Sachs, *Precious Comment*, 28 April 2026 and 18 June 2026.

debasement engine, the central bank engine and the Chinese saver engine are all still running underneath. When the near-term headwinds fade, and they are already fading at the edges, all three come back into view at once.

The fear premium in energy faded first. The fear premium in gold has faded second. The resilience premium is what we are actually paid to own, and the resilience premium is still being built.

Silver: Same Direction, Bigger Steps

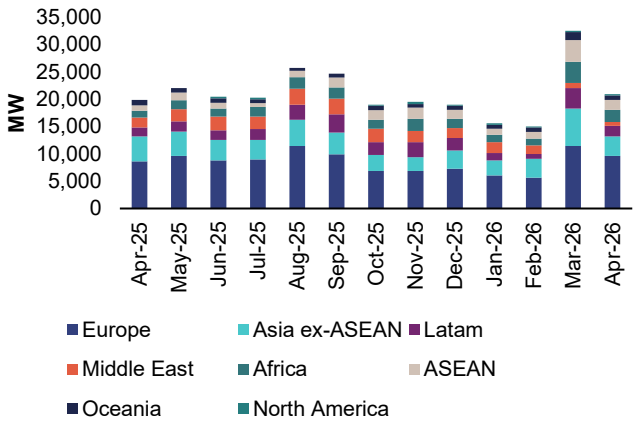
Silver takes its directional cues from gold day in and day out. That relationship has held through the correction and it will hold through the recovery. The reason to size silver above a token weight is the leverage on those steps, combined with an industrial demand base that gold does not have.

The physical market has loosened from last year. Silver spent 2025 in a tight, illiquid configuration that pushed the gold to silver ratio to unusually compressed levels, and the unwind of that tightness has skewed silver's volatility to the downside on gold's weaker days this year. A further normalization in the ratio into the low to mid seventies is the sensible base case. A tighter industrial market would compress it back.

The industrial case is where our conviction sits, and it links directly to the resilience story from the macro section. Roughly half of silver demand is industrial, and the fastest growing component is solar. During the Iran episode, Chinese solar module exports stepped materially higher in March and April across almost every regional destination, with the largest lifts into Europe, Asia ex ASEAN, Latin America and Africa. Countries worried about energy security did not respond by slowing electrification. They accelerated it, and every additional gigawatt of installed solar carries silver into the physical supply chain.

FIGURE 17: CHINESE SOLAR MODULE EXPORTS STEPPED HIGHER ACROSS ALMOST EVERY DESTINATION REGION DURING THE IRAN EPISODE

China Solar Panel Exports By Region



Source: Goldman Sachs Global Investment Research. As of June 2026.

Combine that with a monetary bid that reasserts itself whenever the Fed becomes less hawkish, and silver has more room to run than the current gold to silver ratio implies.

Platinum and Palladium: The Supply Side Does the Work

The platinum group metals are a smaller and more idiosyncratic part of the book, and we hold them for a different reason than gold and silver. The case here is a supply case.

Platinum has backed up close to what looks like the fundamental incentive level for stability in South African supply. Below that level, marginal South African production comes under pressure, and South Africa remains the price setter for the metal. As gold stabilizes over the second half, platinum should find a firmer footing alongside it.

Palladium sits in a different position. The demand backdrop is genuinely difficult, given the ongoing substitution into platinum in gasoline autocatalysts and the electric vehicle share taking pieces out of the internal combustion engine market. The offset is that positioning is now heavily short, sentiment is close to universally bearish, and the metal shows classic oversold characteristics that historically leave it vulnerable to short covering. A market that is universally bearish, on a metal whose primary supply comes out of Russia and South Africa, tends to reprice quickly when supply reminds it that concentration risk has not gone away.

We hold platinum and palladium at modest overweights rather than headline positions. The setup does not require a demand miracle. It requires South African supply to behave the way South African supply usually behaves when prices sit near incentive floors, and it requires the palladium short base to eventually cover.

For silver, the largest risk is a Fed that stays hawkish for longer than expected, leaving the metal reliant on the industrial story alone, with slower Chinese solar installations compounding it. For platinum, the risk is that South African production surprises higher, either through improved power reliability or a weaker rand shifting the incentive curve. For palladium, the substitution and electrification headwinds are structural and could overwhelm the tactical positioning setup if a broader risk off event forces further liquidation.

We size the positions with those risks in mind. Silver carries the largest of the three precious overweights, platinum a moderate overweight and palladium a smaller one held for the positioning asymmetry rather than the underlying fundamentals.

Agriculture: The El Niño Storm

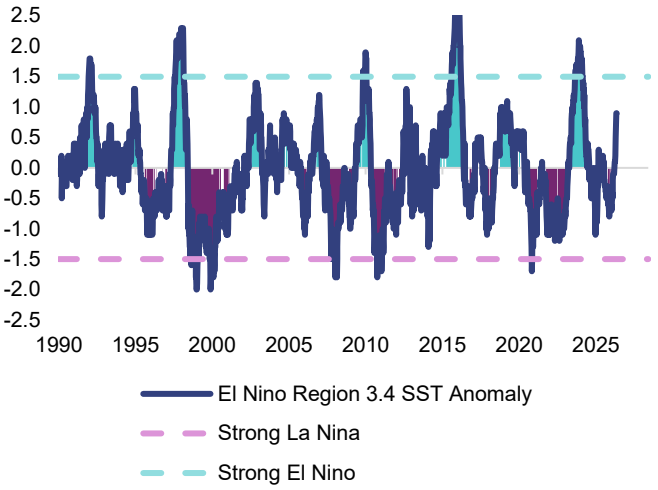
In commodities, weather can be everything. Forecasters now put the odds of a very strong El Niño developing into the winter at roughly 60%. Such events are infrequent, and when they arrive they seldom disturb a single market in isolation. They can reach across food, energy and materials simultaneously. The most important feature of this cycle, however, is not its scale but its timing. El Niño is emerging into a system already under strain: energy prices have been volatile, fertilizer has been costly, and supply chains have yet to fully normalize. Our focus is not on any single crop, but on how a shock transmits through the entire system. The first move is the weather, and the larger move is the chain reaction that follows.

El Niño is a climate pattern driven by warming of sea surface temperatures in the central and eastern Pacific Ocean. Its effects ripple across global agriculture by reshaping rainfall and temperature patterns in key growing regions. In broad terms, it brings excessive rainfall and flooding to parts of South America, while triggering drought across Southeast Asia, India, parts of

Africa and Australia. It affects both planting and harvesting across multiple crops and geographies, leading to tighter global supply and higher price volatility.

We believe the upcoming cycle is a meaningful tailwind for agricultural commodity prices across several key markets.

FIGURE 18: NOAA EL NIÑO INDICATOR - THE SUPER EL NIÑO



Source: NOAA. As of June 2026.

What we do know is that the effects of this crisis are broad. Energy costs flow into metals through smelting economics. They flow into agriculture through fertilizers and fuel mandates. They flow into livestock through feed costs. They flow into precious metals through the monetary and fiscal policy response. The inflation impulse that started in crude oil is already propagating across the commodity complex.

Cocoa is particularly vulnerable. West Africa, the world's largest producing region, has historically suffered significant output declines during strong El Niño episodes as dry winds descending from the Sahara intensify. Hot, dry conditions stress cocoa trees, suppress pod development and reduce bean quality. Past strong cycles, 1997–98 and 2015–16, triggered sharp drops in Côte d'Ivoire production. Excessive rainfall and flooding can also boost fungal diseases and disrupt harvesting.

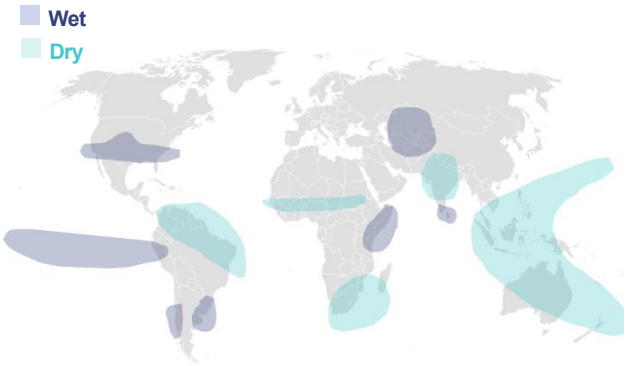
Sugar faces pressure from multiple angles. Drought threatens output in India and Thailand, while wetter conditions in Brazil can disrupt the sugarcane harvest. Elevated ethanol prices in Brazil incentivize mills to divert cane away from sugar production, compounding the supply squeeze.

Robusta coffee shows upside risk. Vietnam, more than 40% of global supply, is among the regions most exposed to El Niño-driven drought. The 2015–16 episode cut Vietnamese output and fueled a sharp rally in robusta futures. The picture is more favorable for arabica, as El Niño tends to bring rainfall to Brazil's main arabica-growing regions. While Robusta is not included in standard commodity benchmarks and is less liquid than arabica, we think it earns its place in portfolios. This is precisely the diversification of scarcity sources we believe investors should look for when adding non-benchmark positions.

The grains picture is more nuanced. Grains production is distributed globally, and supply is less about weather affecting one region, and more about costs and margins. Australia, a major wheat exporter, has seen production declines due to drought in nearly every El Niño year over the past six decades, alongside flooding risk; elevated global stocks provide a buffer, but prices could still move higher. Wheat is a staple food for much of the world, making it a key food security market. Whenever wheat prices jump, governments tend to react with export bans, reserves, and subsidies; policy often amplifies what the weather starts.

Weather volatility caused by El Niño can also delay Brazil's main crop planting, which in turn shortens the second-crop corn harvest, an increasingly critical component of global supply that has outpaced the U.S. in recent years. And what starts first in corn, shows up later in feed, and then in meat prices.

FIGURE 19: EL NIÑO RESHAPES RAINFALL PATTERNS, CREATING WINNERS AND LOSERS ACROSS CROPS AND REGIONS



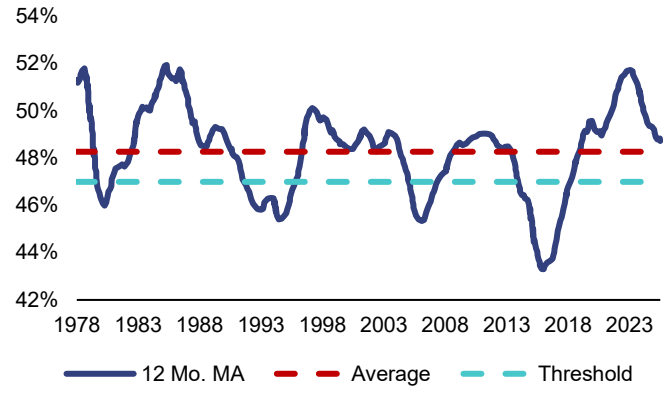
Source: International Research Institute for Climate and Society, Goldman Sachs Global Investment Research. As of June 2026.

El Niño is not a uniform event. Its effects vary by crop and region. But the broad pattern is that a strong cycle tightens agricultural supply and increases price volatility. This is supply-driven inflation, the kind that monetary policy can struggle to address. And it extends beyond agriculture, with temperature extremes amplifying heating and cooling demand across energy markets. We do not believe current market pricing reflects supply concerns across the agricultural commodity universe, and we see a strong case for adding exposure, not only for diversification and as an inflation hedge, but also to capture potentially attractive returns.

Livestock: The Cycle That Cannot Be Rushed

The U.S. cattle herd sits at its smallest level since the 1950s, and there is good reason to believe the bottom is still ahead of us. The more important question is not how low the herd went, but how long it will take to grow again. The clearest signal of a rebuild is when ranchers stop sending females to slaughter and start holding them back to breed. By that measure, we are not yet there. Beef cow culling has fallen to what may be a record low, but heifer retention has barely begun. Ranchers are hesitating rather than committing, and the expected timeline for beef processor profits to recover has quietly slipped from late 2027 into 2028. Cycles this deep do not turn on a headline or a season. They turn on nature, and nature moves at its own pace.

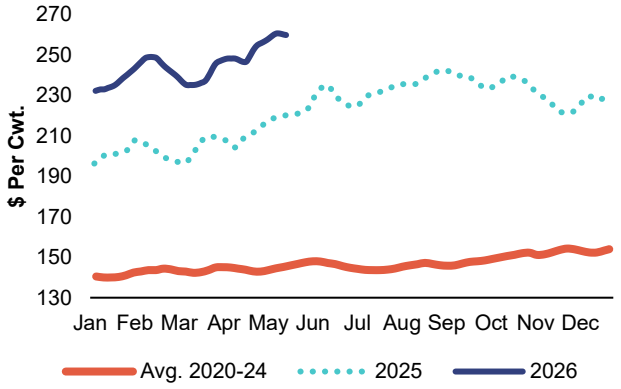
FIGURE 20: FEMALE CATTLE SLAUGHTER SIGNALS CATTLE HERD REBUILDING IS NOT YET UNDERWAY
Female Cattle Slaughter % Of Total Cattle Slaughter, Federally Inspected



Source: Feedlot Magazine, *Cattle Cycle Expansions: Lessons from History. As of June 2, 2026.*

The scarcity is most visible in feeder cattle, the calves that move from ranch to feedlot before being fattened for market. The pipeline of animals coming through is unusually thin, and prices reached fresh all-time highs in early July. Two fundamental forces reinforce the story. Corn and soybean meal have retreated, easing the cost of feeding cattle to market weight and giving feedlots more room to compete for the animals that do exist. At the same time, drought has re-emerged across the Great Plains and the South, the two regions that together account for nearly half the herd. When pastures dry out, ranchers cannot afford to keep cows on grass, so more animals are sold or slaughtered rather than held back to breed, which ultimately tightens supply further down the road. The honest risk to the bull case is simpler: a wet second half. A meaningful rain event across the Plains would ease the sense of urgency in the market fairly quickly.

FIGURE 21: 2026 SLAUGHTER STEER PRICES CLIMB TO NEAR ALL-TIME HIGHS
Slaughter Steer Prices (Southern Plains, Weekly)



Source: Feedlot Magazine, Adjusting for Higher Costs in 2026. As of June 2, 2026

Live cattle, the mature animals sold to processors, **tell a similar story with an added complication**. Physical tightness was compounded in June by the first case of New World Screwworm in the United States since 1966, a parasite outbreak that prompted Canada to restrict imports and shut down the U.S.-Mexico cattle trade that normally supplies well over a million feeder animals a year. Yet even against that backdrop, beef packers are losing money. Wholesale beef prices have failed to keep pace with what packers are paying for live animals, and daily slaughter continues to drift lower as processors try to limit their losses. Producers have partially offset the smaller herd by finishing animals to record heavy weights, extracting more beef per head, but that adjustment is close to its natural limit. Consumer demand has held up. Americans are eating nearly as much beef as before, cushioned by larger imports and a steady shift toward ground beef, which now accounts for roughly half of per-capita consumption. The bull case does not require demand to strengthen. It requires only that ranchers continue to hold back animals for breeding, which the data suggests they will.

Lean hogs offer a different profile. The near-term picture in pork looks heavy. Slaughter is running above the five-year average, and the domestic hog inventory is broadly unchanged from last year. Beneath that surface, the picture is quietly tightening. USDA cut ending stocks in its latest revision, China lowered its forward slaughter forecast despite currently robust output, and record beef prices continue to push some consumers toward pork at the meat counter. Hogs are also a much shorter biological cycle than cattle. The herd can respond to disease, weather, or a demand shift within quarters rather than years, which makes the market unusually sensitive to surprises in either direction.

Taken together, the livestock complex offers something rare in commodities right now: a bull case grounded in nature rather than sentiment. Herds take years to rebuild. Feed costs are easing while pastures are not. Processors are absorbing a squeeze that ranchers used to bear. And in hogs, the fundamental picture is quietly firming beneath a heavy near-term supply. The risks are real, whether a wet second half, a demand disappointment, or a benign disease outcome, but the setup does not require anything to go unusually right. It requires only the willingness to let the cycle play out. Beyond the return potential, the livestock complex also offers a genuine diversification benefit and a partial hedge against food-driven inflation, which is why we remain invested through the noise.

Fund Commentary

In the second quarter of 2026, the Neuberger Berman Commodities Fund USD I Accumulating Class (the "Fund") generated a cumulative total return of -5.54% (net), outperforming its benchmark, the Bloomberg Commodity Total Return Index (BCOMTR) (Total Return, USD), which returned -8.08%.

Energy prices fell over the quarter. The Fund's underweight positioning in energy contributed meaningfully to relative performance. Underweights in WTI and Brent were the primary contributors, as both crudes fell sharply over the period. An overweight in gasoline added through security selection, with the Fund's contracts outperforming the benchmark equivalent. Overweights in gasoil and heating oil were the main detractors, each weighing modestly as prices declined.

Power and gas prices were lower over the quarter, though carbon allowances rallied. The Fund's positioning in power and carbon contributed positively to relative performance. An out-of-benchmark position in EUAs was the largest contributor by a wide margin, as European carbon prices rose strongly. The Fund's underweight in U.S. natural gas helped at the sector level given the commodity's decline, but weaker security selection more than offset that benefit and left the position an overall negative contribution to relative performance. An out-of-benchmark position in TTF gas, taken as diversification away from U.S. natural gas into European natural gas, detracted slightly as prices fell, with an out-of-benchmark position in German power also a minor negative.

Industrial metals firmed over the quarter. The Fund's overweight exposure to the sector and contract selection contributed positively to relative performance. An overweight position in the copper complex and tin was among the largest contributors, both rising over the period, alongside an overweight in zinc that also gained. An underweight in lead was also a positive contributor as lead was one of the few metals to fall. Overweights in nickel and aluminum were the main detractors as both declined, with an out-of-benchmark position in iron ore a smaller negative.

Precious metals fell sharply over the quarter. The Fund's positioning contributed positively to relative performance. An underweight in gold was the largest contributor, as gold dropped heavily over the period. An overweight in silver detracted as silver fell even further, and out-of-benchmark positions in platinum and palladium were smaller negatives as both declined.

Agricultural commodities were lower over the quarter. The Fund's contract selection within the sector was a significant contributor to relative performance, with an overweight positioning also modestly additive. Contract selection across the grain and oilseed complex accounted for most of the gain: positioning in soybeans, soymeal, and corn each added as the Fund's contracts fell by less than the benchmark equivalents. An underweight in the wheat complex contributed positively, and an out-of-benchmark position in canola was a small negative.

Soft commodities rose sharply over the quarter. The Fund's positioning contributed positively to relative performance. An out-of-benchmark position in London cocoa, taken as diversification into a non-benchmark name, was by far the largest contributor as prices surged. An underweight in sugar added as sugar prices fell, while out-of-benchmark positions in Robusta coffee also contributed. An underweight in cotton helped through contract selection.

Finally, livestock inched lower over the quarter. The Fund's overweight positioning had a positive impact on relative performance. An underweight in lean hogs was the primary contributor, while an out-of-benchmark position in feeder cattle provided a small negative contribution to relative performance.

Conclusion

Resilience Is the New Demand Cycle

The investment case for commodities has evolved. Earlier in the cycle, investors focused on inflation, geopolitical disruption and monetary debasement. Those fears have eased, but the response they triggered continues to gather momentum.

Around the world, governments are building more resilient energy systems, strengthening supply chains, modernizing power grids and accumulating strategic reserves. At the same time, artificial intelligence, electrification and energy security are increasing demand for the materials required to build and power the physical economy. These are not short-lived trends. They are multiyear investment programs with long tails and significant commodity intensity.

That backdrop explains our positioning. We continue to favor commodities linked to infrastructure, electrification, energy security and resource scarcity, while remaining selective where inventory overhangs or policy uncertainty limit conviction. The path will not be linear and volatility will remain part of the journey, but we believe the larger direction is clear.

The fear premium may have faded. The resilience buildout is still in its early stages. That is why we continue to see opportunity in commodities.

Neuberger Commodity Investment Team

Hakan Kaya

David Wan

David Waugh

Raphael Mettle

This Fund meets the requirements of Article 6 of the SFDR. Further information is available in the Fund's offering documents and at www.nb.com.

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