

# Sestante Dynamic Assertive Portfolio

## Monthly Investment Report

As of 31/03/2025

### Latest performance\*

	1-mth	3-mths	1-yr	3-yr	5-yr	Inception
Sestante Dynamic Assertive	-2.70	-1.25	4.73	6.22	10.60	7.54
RBA Cash Rate +4.5%p.a.	0.73	2.17	9.18	8.29	6.82	6.60

### Market Review

In March 2025, global stock markets faced notable declines driven by rising fears over trade tensions, especially in relation to proposed U.S. tariffs under President Trump, and increasing recession risks. The S&P 500 saw a decrease of 5.75%, while the technology-heavy NASDAQ experienced a more severe drop of 8.21%. This downturn was largely influenced by the uncertain outlook on tariffs, inflation, and bond yields, resulting in a noticeable shift from growth stocks to value stocks broadly across markets.

In Europe, although producing a negative return, the STOXX 600 again outperformed Wall Street for the month, returning -4.18%. Japan's Nikkei 225 performed similarly losing 4.14% for the month.

The Australian market reflected these global trends, with the S&P/ASX 200 Accumulation Index falling by 4.03%. Defensive sectors such as Utilities and Consumer Staples showed relative resilience, while the Materials sector benefitted from rising commodity prices, particularly gold and copper. On the other hand, the Information Technology and Financials sectors, notably Australian banks, saw significant declines, partly due to concerns over earnings, bad debt, and margin pressures stemming from interest rate cuts. James Hardie, a major global building materials company, also struggled, with its poor performance attributed to concerns over the valuation implications of an acquisition.

The resources sector was more stable on a relative basis, driven by strong performances from smaller gold mining companies like Evolution Mining and Newmont Corporation, which continued to be among the top performers in the Australian market.

Fixed-income markets also saw heightened volatility, with the Bloomberg Global Aggregate Index, a key international fixed-income benchmark, declining by 0.44% for the month. The German bond market experienced its most significant weekly selloff since the 1990s, pushing 10-year bond yields higher by more than 0.40% due to a policy shift related to defence and infrastructure spending. Australian Fixed Interest performed relatively well returning +0.17% for the month.

Commodities largely performed well, with gold reaching a new record high, driven by strong demand for safe-haven assets amid economic uncertainty, closing March slightly above US\$3100 per ounce. Brent crude also saw an uptick in prices, influenced by geopolitical developments like energy tariffs and OPEC+ decisions. The U.S. dollar weakened early in the month, while the euro gained strength after Germany's fiscal stimulus announcement, which boosted investor sentiment across Europe.

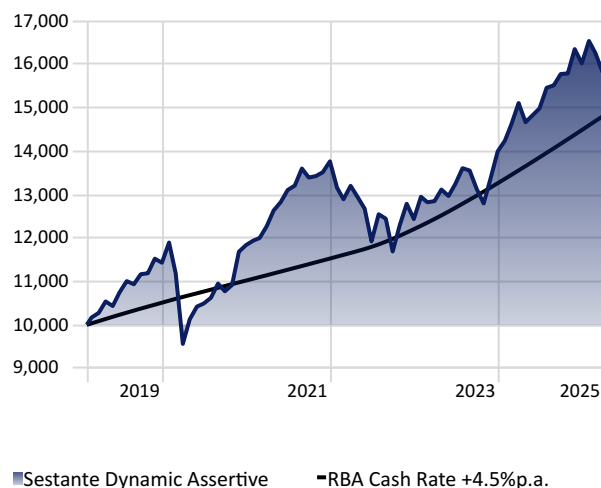
Emerging markets provided some relief, with the MSCI Emerging Markets index posting modest positive returns, though still falling short of expectations. Chinese stocks were a notable exception, as better-than-expected data on industrial production and retail sales helped counteract the adverse effects of U.S. tariffs.

In summary, March 2025 was marked by significant volatility across global markets, driven by concerns over trade policy, inflation, and the looming threat of recession. Defensive sectors outperformed, while commodities, particularly gold, offered relative stability. Investors gravitated toward low-volatility, value-oriented investments as growth stocks underperformed.

For a detailed market review and outlook, please refer to the Monthly Market Commentary document available on [www.azsestante.com/investment-options](http://www.azsestante.com/investment-options)



### \$10,000 invested over time



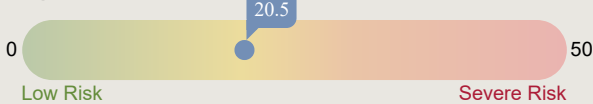
### Portfolio information

- Investment Objective: target RBA cash rate +4.5% per annum over rolling 5-year periods after fees.
- Asset Class: Diversified
- 85% Growth / 15% Defensive Split
- Portfolio Inception Date: 7 February 2019

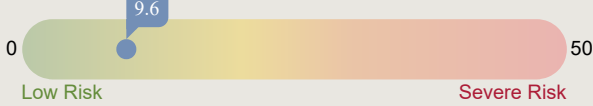
## ESG Risk Score

● Sestante Dynamic Assertive

### Corporate ESG Risk Score



### Sovereign ESG Risk Score



## ESG Pillar Score



5.8

Environmental



8.9

Social



5.2

Governance



0.6

Unallocated

## Major Index Returns

	1 Month	3 Months	6 Months	1 Year	3 Years
S&P/ASX 200 TR AUD	-3.39	-2.80	-3.57	2.84	5.62
MSCI World Ex Australia GR AUD	-4.61	-2.30	9.64	12.74	15.21
Bloomberg AusBond Composite 0+Y TR AUD	0.17	1.29	1.03	3.20	1.67
Bloomberg Global Aggregate TR Hdg AUD	-0.44	1.14	-0.09	3.72	0.17
S&P Global Infrastructure NR AUD	1.82	3.74	13.19	23.29	11.90

### Important information

\*Past performance is not a reliable indicator of future performance. Performance is calculated before taxes, model management and platform fees and after underlying investment management fees. For full details of fees please refer to the relevant platform offer documents. Performance is notional in nature and an individual investor's actual performance may differ to the that of the model portfolio. Investment performance is shown from 7/2/2019 and represents modelled performance only and assumes income received is reinvested.

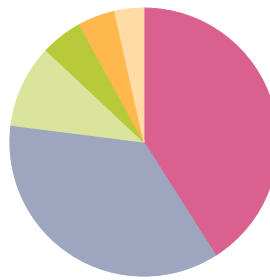
The Morningstar Historical Corporate Sustainability Score is a weighted average of the trailing 12 months of Morningstar Portfolio Corporate Sustainability Scores. Historical portfolio scores are not equal-weighted; rather, more-recent portfolios are weighted more heavily than older portfolios. Combining the trailing 12 months of portfolio scores adds consistency while still reflecting portfolio managers' current decisions by weighting the most recent portfolio scores more heavily.

ESG pillar scores are displayed as a number between 0 and 100 with most scores range between 0 and 25. It is the asset-weighted average of the company environmental, social, governance risk scores for the covered corporate holdings in a portfolio. The scores measure the degree to which a company's economic value may be at risk driven by environmental, social, and governance factors. The risk represents the unmanaged risk exposure after taking into account a company's management of such risks.

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## Current Asset Allocation

Portfolio Date: 31/03/2025



	%
International Equities	41.00
Australian Equities	36.00
Global Infrastructure	10.00
Global Property	5.00
Cash	4.50
Australian Fixed Income	3.50
<b>Total</b>	<b>100.00</b>

## Where your funds are invested

<b>International Equities</b>	<b>41.00</b>	—
Ironbark Brown Advisory Global Share	12.00	🌐🌐🌐🌐
Vanguard MSCI Intl ETF	10.50	🌐🌐
GQG Partners Global Equity AUD Hedged	8.50	🌐
Vanguard All-World ex-US Shares ETF	5.50	🌐🌐🌐🌐
iShares S&P 500 AUD Hedged ETF	3.50	🌐🌐🌐🌐
Vanguard MSCI Intl (Hdg) ETF	1.00	🌐🌐
<b>Australian Equities</b>	<b>36.00</b>	—
iShares Core S&P/ASX 200 ETF	15.00	🌐🌐🌐🌐🌐
Schroder Australian Equity Fund - PC	8.00	🌐🌐🌐🌐
Yarra Ex-20 Australian Equities Fund	7.50	🌐🌐
Paradice Australian Equities Fund	5.50	🌐🌐🌐🌐
<b>Global Infrastructure</b>	<b>10.00</b>	—
VanEck FTSE GIBI Infrast(AUD Hdg)ETF	10.00	🌐🌐🌐🌐
<b>Global Property</b>	<b>5.00</b>	—
VanEck FTSE Intl Prop (AUD Hdg) ETF	5.00	🌐🌐🌐🌐
<b>Cash</b>	<b>4.50</b>	—
BetaShares Aus High Interest Cash ETF	2.50	—
Cash	2.00	—
<b>Australian Fixed Income</b>	<b>3.50</b>	—
Yarra Australian Bond Fund	2.00	—
Western Asset Aus Bond Tr M	1.50	🌐🌐🌐🌐
	<b>100.00</b>	

**Morningstar's Globe Ratings** are just one tool that can help investors work out a fund's ESG credentials. A 5 Globe Rating indicates a fund is at the top end of its peer group in terms of sustainability, while a 1 Globe Rating shows it is underperforming on sustainability issues.

## Portfolio changes

Over the month, the AZ Sestante Investment Committee implemented several changes to align the portfolio with its preferred views. The Vanguard All-World ex-US Shares ETF was introduced to broaden exposure beyond the US equity market. This was primarily funded by reducing the iShares S&P 500 AUD (Hedged) ETF to rebalance regional risk, and by exiting the Fidelity Asia Fund due to reduced conviction in the strategy. Currency hedging was brought back to a neutral position, reflecting the Committee's current outlook. The portfolio was also rebalanced to preferred dynamic asset allocation (DAA) weights, with a target weight approach implemented to support future rebalancing.