

# Sestante ESG Focus Dynamic Conservative Portfolio Monthly Investment Report



As of 30/06/2025

## Latest Performance\*

	1-mth	3-mths	1-yr	3-yr	Inception
ESG Focus Conservative	0.84	3.06	7.49	6.80	6.80
RBA Cash Rate + 2% p.a.	0.48	1.51	6.47	6.02	6.02

## Market Review

Global equity markets delivered robust returns in June 2025, with investor optimism prevailing over a backdrop of geopolitical tensions and policy uncertainty. The U.S. stock market led the rally, powered by strength in mega-cap technology stocks and enthusiasm around artificial intelligence. The S&P 500 climbed 5.1% during the month, pushing its year-to-date return to 6.2% including dividends. The tech-heavy Nasdaq outperformed with a 6.6% monthly gain, bringing its total return for the year to 3.6%.

While mid-cap and small-cap U.S. equities posted positive monthly returns, up 3.4% and 3.9% respectively, they remained negative for the year overall. Market breadth in the S&P 500 was moderately constructive, with 340 stocks rising and 163 declining in June.

Internationally, equities also advanced, with the MSCI AC World Index gaining 3.9% in local currency terms. Emerging markets outpaced developed markets, returning 5.0%. Chinese stocks rebounded strongly on progress toward a partial trade deal, even as signs of economic softness persisted. In Asia, South Korea's KOSPI performed well following the election of a market-friendly administration, while Taiwan and Hong Kong equities were buoyed by ongoing AI-driven momentum.

Technology led all other sectors with a 9.9% monthly gain, driven by strong performance in semiconductors and technology hardware. Consumer Discretionary rose 7.3%, while Energy climbed 4.9%, helped by a temporary spike in oil prices. Consumer Staples was the only sector to fall, down 1.6% during the month.

Despite notable geopolitical developments, including a ceasefire agreement between Iran and Israel and ongoing U.S. diplomatic discussions, markets remained relatively stable. Volatility remained subdued overall, although the VIX briefly spiked above 21 mid-month amid heightened headline risk.

Australia's ASX 200 rose 1.4% in June, as expectations of further interest rate cuts supported risk sentiment. Energy (+9.0%), Financials (+4.3%), and Real Estate (+1.7%) led the gains, while Materials (-3.1%) lagged.

Bond markets saw yields decline globally, driven by expectations of monetary easing. U.S. Treasury yields fell across the curve, with the 2-year yield down 0.18%. Similarly, Australia's 10-year government bond yield dropped 0.11% to 4.16%.

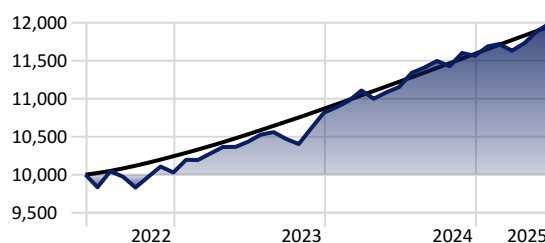
In currency markets, the U.S. dollar weakened sharply, falling 2.5% in June, as measured by the DXY Index. The Australian dollar and most Asian currencies appreciated, supported by stronger local equity performance.

Despite ongoing uncertainties, markets ended the first half of 2025 on a strong footing, with technology leadership and easing interest rate expectations underpinning gains across global equities..

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

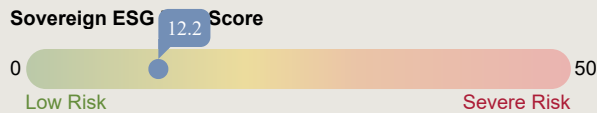
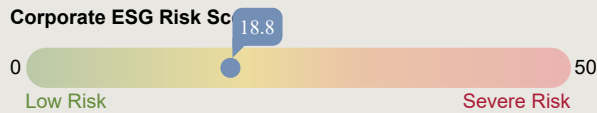


■ ESG Focus Conservative ■ RBA Cash Rate + 2% p.a.

## Portfolio information

- **Investment objective:**  
To delivery outperformance of RBA cash rate +2.0% per annum after fees over a rolling 3-year period.
- **Suggested minimum timeframe:**  
3 years
- 30% Growth / 70% Defensive
- **Portfolio inception date:**  
1 June 2022

## ESG Risk Score



● ESG Focus Conservative

## ESG Pillar Score



## Major Index Returns

	1 Month	3 Months	6 Months	1 Year	3 Years
S&P/ASX 200 TR AUD	1.41	9.50	6.44	13.81	13.56
MSCI World Ex Australia GR AUD	2.49	6.09	3.65	19.11	20.93
Bloomberg AusBond Composite 0+Y TR AUD	0.75	2.63	3.95	6.81	3.88
Bloomberg Global Aggregate TR Hdg AUD	0.91	1.49	2.65	5.45	2.28
FTSE EPRA Nareit Global REITs TR AUD	-1.38	-2.11	-1.04	12.94	6.08
S&P Global Infrastructure NR AUD	0.00	4.64	8.56	29.06	13.29
RBA Cash Rate Target	0.32	1.01	2.09	4.38	3.94
MSCI ACWI Ex USA NR USD	3.39	12.03	17.90	17.72	13.99

### 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 1/6/2022 and represents modelled performance only and assumes income received is reinvested.

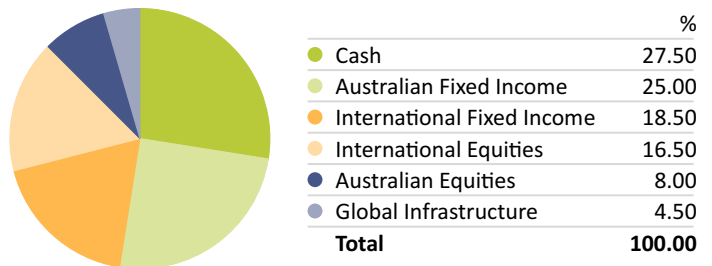
The Morningstar Historical Corporate Sustainability Score is a weighted average of the trailing 12 months of Morningstar Portfolio Corporate Sustainability Scores. Historical portfolio scores are not equal-weighted; rather, more-recent portfolios are weighted more heavily than older portfolios. Combining 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.

The Portfolio Unallocated ESG Risk Score represents the unmanaged ESG risk exposure to companies assigned an ESG Risk Rating, but whose risk is not decomposed into environmental, social and governance components. Calculated as the asset-weighted average of the company ESG Risk scores for the covered holdings in a portfolio that do not have E/S/G risk scores, unallocated ESG risk is displayed as a number between 0 and 100, where lower is better. Together, the four portfolio pillar score data points- Environmental Risk Score, Social Risk Score, Governance Risk Score, and Unallocated ESG Risk Score- will add up to a portfolio's Sustainability Score.

## Current Asset Allocation

Portfolio Date: 30/06/2025



## Where your funds are invested

<b>Cash</b>	<b>27.50</b>	—
BetaShares Aus High Interest Cash ETF	25.50	—
Cash	2.00	—
<b>Australian Fixed Income</b>	<b>25.00</b>	—
Pendal Sustainable Aust Fixed Interest	11.50	●●●●
Janus Henderson Tactical Income	10.00	●●●●
Pendal Short Term Income Securities Fd	3.50	●●●●
<b>International Fixed Income</b>	<b>18.50</b>	—
PIMCO ESG Global Bond Fund - Wholesale	9.50	●●●●●
Macquarie Dynamic Bond No.1 W	9.00	—
<b>International Equities</b>	<b>16.50</b>	—
Betashares Global Sustnby Ldrs Ccy H ETF	3.50	●●●●●●
CFS FC W - Stewart Inv WldWde Ldrs Sstby	3.50	●●●●
Mirova Global Sustainable Equity No. 2 I	3.50	●●●●●●
AXA IM Sustainable Equity	2.50	●●●●
AXA IM Sustainable Equity A (H) AUD	2.50	●●●●●
Robeco Emerging Conservative Equity AUD	1.00	●●●●
<b>Australian Equities</b>	<b>8.00</b>	—
VanEck MSCI AUS Sust Eq ETF	3.50	●●●●●●
Alphinity Sustainable Share	1.50	●●●●●
Australian Ethical Australian Shr WS	1.50	●●●●●
Schroder Australian Equity Fund - PC	1.50	●●●●
<b>Global Infrastructure</b>	<b>4.50</b>	—
4D Global Infrastructure AUD Hedged	4.50	●●●●●
	<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

There were no portfolio changes this month.