

CFS Sestante Index Assertive Portfolio – Super & Pension Monthly Investment Report

As of 31/08/2025

Latest Performance*

	1-mth	3-mths	6-mths	1-yr	Inception
CFS MA Index Assertive Super	1.75	5.27	7.09	12.51	12.82
CFS MA Index Assertive Pension	1.95	5.84	7.86	13.94	14.30
RBA Cash Rate +4.0%	0.63	1.96	4.05	8.43	8.48
Morningstar AUS Growth Tgt Alloc NR AUD	1.90	5.39	7.14	12.12	12.44

Market Review

Investment markets remained largely resilient in August, with equity and fixed income assets continuing to perform strongly despite underlying volatility from geopolitical tensions, policy uncertainty, and sector-specific headwinds. Investor sentiment was buoyed by corporate earnings that generally exceeded expectations, dovish central bank signals, and a shift in positioning toward value-oriented assets and underperforming sectors such as small caps.

Global equities saw meaningful gains, with the MSCI All-Country World Index rising 2.5%. U.S. stocks led much of the momentum with the S&P 500 adding 2.1% despite a mid-month dip driven by weaker employment data and softening enthusiasm around AI. Small-cap stocks outpaced large caps, with the Russell 2000 jumping 7% as rate-cut speculation and domestic growth optimism brought renewed interest to previously lagging areas of the market. Technology stocks, however, faced pressure amid reports questioning the near-term return on AI investments, contributing to a sector rotation toward value names. The tech-heavy NASDAQ wavered as optimism around the so-called "Magnificent 7" began to fade.

Japan stood out among developed markets, with its equity indices boosted by a weaker yen and strength in AI-related infrastructure investments. Meanwhile, European stocks recorded modest gains, though performance was held back by political instability in France, where the CAC 40 declined. The UK market also underperformed due to inflation pressures and mixed central bank communication, despite a 0.25% rate cut from the Bank of England. In emerging markets, equities gained 1.5%, supported by a rebound in Chinese stocks following a pause in new U.S. tariffs and optimism around domestic semiconductor investment. In contrast, the Indian and South Korean markets struggled under the weight of new tariffs and regulatory concerns.

Strong corporate earnings were a significant driver of equity gains. In the U.S., over 75% of companies in the S&P 500 beat analyst estimates, with notable standouts like Nvidia posting year-over-year revenue growth of more than 50%. Despite this, a key AI-related earnings miss and reports from institutions like MIT raised doubts about the immediate profitability of enterprise AI, contributing to broader caution within the tech sector.

Bond markets also rallied, particularly on the short end of the curve, as Federal Reserve Chair Jerome Powell's Jackson Hole speech was interpreted as dovish. The two-year U.S. Treasury yield fell significantly, while longer-term yields remained more volatile due to fiscal concerns and political interference risks. Investment-grade credit performed well globally, supported by narrowing spreads and healthy earnings, while high-yield bonds also advanced thanks to improving liquidity and economic resilience in the U.S.

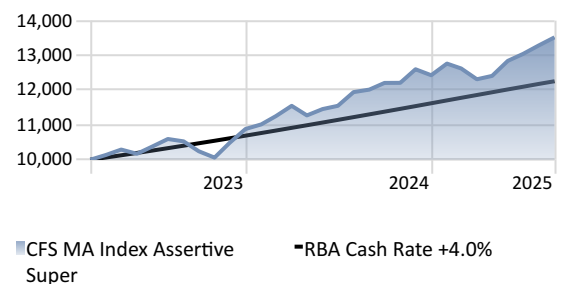
Global yield curves steepened as rate-cut expectations lowered front-end yields. In Europe, bonds saw moderate weakness tied to inflationary persistence, while Japanese yields inched higher amid speculation about eventual rate normalisation.

While August ended on a strong note across asset classes, market gains now sit on elevated valuations and fragile macro underpinnings. AI investment doubts, political risks, and central bank policy shifts remain key variables heading into the remainder of the year.

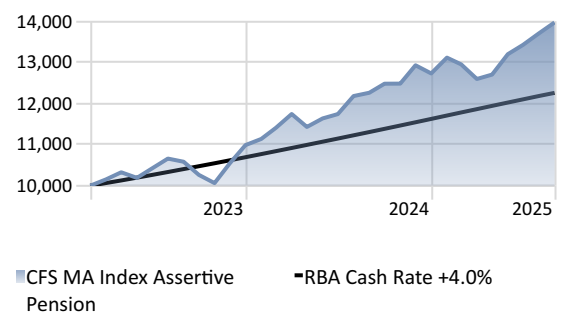
For a detailed market review and outlook, please refer to the Monthly Market Commentary document available on www.azsestante.com/investment-options



\$10,000 invested over time - Super



\$10,000 over time - Pension

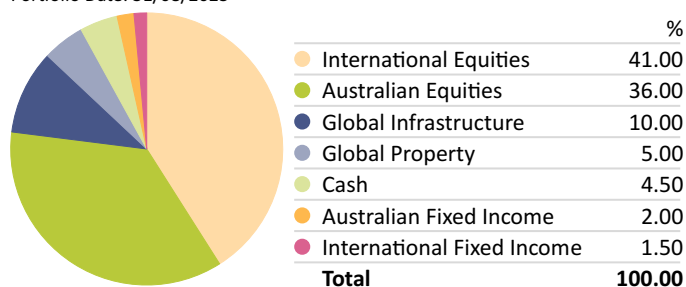


Portfolio information

- Investment Objective: target RBA cash rate +4.0% per annum over rolling 7-year periods after fees.
- Asset Class: Diversified
- Standard Risk Measure: Very High
- 85% Growth / 15% Defensive
- Portfolio Inception Date: 1 March 2023

Current Asset Allocation - Super

Portfolio Date: 31/08/2025



Where your funds are invested

International Equities	41.00	—
CFS FC W PSup-CFS Index Global Share	23.00	🌐🌐
CFS FC W PSup-CFS Index Global Shr-Hgd	13.00	—
CFS FC W PSup-ETF Exp Ser ex-US Shr	5.00	🌐🌐🌐
Australian Equities	36.00	—
CFS FC W PSup-CFS Index Australian Share	36.00	🌐🌐🌐
Global Infrastructure	10.00	—
CFS FC W PSup-CFS Ind Glb List Infr Sec	10.00	🌐🌐🌐
Global Property	5.00	—
CFS FC W PSup-CFS Index Glb Property Sec	5.00	🌐🌐🌐
Cash	4.50	—
CFS FC W PSup-FSI Strategic Cash	4.50	—
Australian Fixed Income	2.00	—
CFS FC W PSup-CFS Index Australian Bond	2.00	🌐🌐🌐
International Fixed Income	1.50	—
CFS FC W PSup-CFS Index Global Bond	1.50	🌐🌐🌐

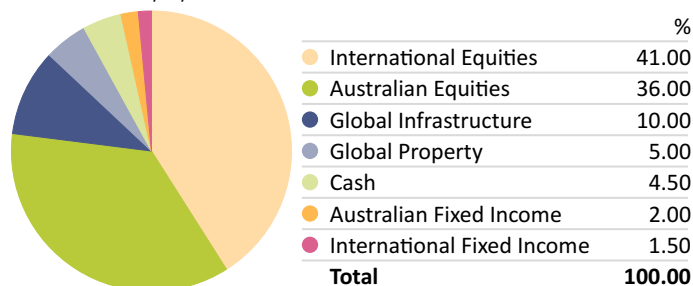
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Major Index Returns

	1 Month	3 Months	6 Months	1 Year	3 Years
Bloomberg Global Aggregate TR AUD	-0.20	0.13	-0.14	7.26	5.00
MSCI World Ex Australia GR AUD	0.95	6.71	5.36	20.58	21.07
S&P Global Infrastructure TR AUD	0.31	2.40	9.37	23.79	14.15
Bloomberg AusBond Composite 0+Y TR AUD	0.33	1.05	3.11	4.31	3.74
S&P/ASX 200 TR AUD	3.10	7.03	11.65	14.74	13.04

Current Asset Allocation - Pension

Portfolio Date: 31/08/2025



Where your funds are invested

International Equities	41.00	—
CFS FC W Pen-CFS Index Global Share	23.00	🌐🌐
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Global Property	5.00	—
CFS FC W Pen-CFS Index Glb Property Sec	5.00	🌐🌐🌐
Cash	4.50	—
CFS FC W Pen-FSI Strategic Cash	4.50	—
Australian Fixed Income	2.00	—
CFS FC W Pen-CFS Index Australian Bond	2.00	🌐🌐🌐
International Fixed Income	1.50	—
CFS FC W Pen-CFS Index Global Bond	1.50	🌐🌐🌐

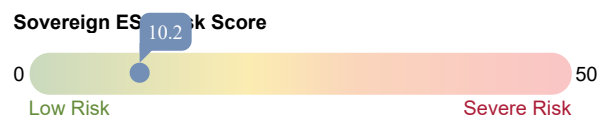
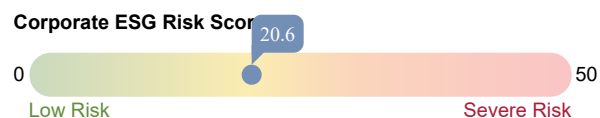
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Morningstar's Globe Ratings are just one tool that can help investors work out a fund's ESG credentials. A 5 Globe Rating indicates a fund is at the top end of its peer group in terms of sustainability, while a 1 Globe Rating shows it is underperforming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

Portfolio changes

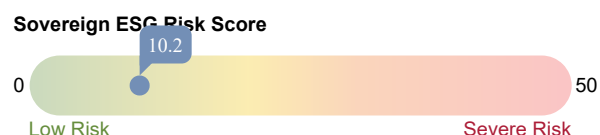
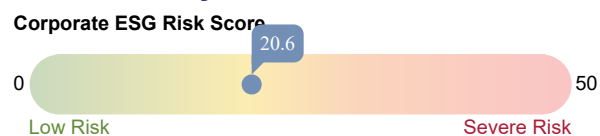
During the month of August, the CFS Index Australian Bond exposure was trimmed and the CFS Index Global Bond exposure was increased in line with our latest Dynamic Asset Allocation views.

Sustainability Score - Super



● CFS MA Index Assertive Super

Sustainability Score - Pension



● CFS MA Index Assertive Pension

ESG Pillar Score - Super



ESG Pillar Score - Pension



AZ SESTANTE

AZ Sestante is a specialist investment consultant focused on designing and managing a range of multi-manager model portfolios via SMAs, MDAs, and fund of funds. Our parent company Azimut is Italy's largest independent asset manager listed on the Italian stock exchange. E: invest@azsestante.com. www.azsestante.com

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 01/03/23 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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