

Sestante Assertive Index Portfolio

Monthly Investment Report

As of 31/10/2025

Latest Performance*

	1-mth	3-mths	1-yr	3-yr	5-yr	Inception
Sestante Assertive Index	1.61	4.24	14.91	14.01	11.10	9.23
RBA Cash Rate + 3% p.a.	0.56	1.69	7.27	7.27	5.73	5.24

Market Review

October delivered broadly positive returns across global asset markets, as investors balanced moderating inflation, easing trade tensions, and cautious central bank signals. Despite political uncertainty and a partial U.S. government shutdown that delayed economic data, equity markets advanced on resilient corporate earnings and optimism surrounding policy shifts.

U.S. equities extended their rally, with the S&P 500 up 2.3% for the month, led by strong results in technology and financials. Just over 80% of companies beat earnings expectations, averaging profit surprises of over 6%. Growth and AI-related sectors dominated, with growth stocks up 4.2% versus 0.4% for value, while small caps and real estate lagged. Investor enthusiasm for technology themes pushed valuations higher, although market participation remained narrow.

The Federal Reserve cut rates by 0.25% to a 3.75–4.00% range, confirming that quantitative tightening will end in December. Chair Jerome Powell struck a cautious tone, prompting markets to scale back expectations for further easing. The U.S. dollar strengthened about 2%, while Treasury yields finished little changed, with 10-year bonds near 4.1%. Credit markets steadied after early-month stress linked to several U.S. corporate defaults, and high-yield credit slightly outperformed investment grade debt.

Japanese equities were a standout performer, lifted by optimism following the election of Prime Minister Sanae Takaichi, who pledged pro-growth reforms and continued stimulus in the spirit of Abenomics. The Nikkei 225 index surged, supported by export-driven gains from a weaker yen. However, rising expectations of fiscal expansion nudged Japanese bond yields higher.

Across Asia, markets benefited from improving trade sentiment and China's ongoing stimulus. The MSCI Asia ex-Japan Index rose 4.5%, with South Korea (+23%) and Taiwan (+10%) leading gains, as semiconductor producers rallied on improved AI supply-chain outlooks. China's CSI 300 climbed 2.5% as the government expanded liquidity and relaxed property restrictions, though persistent youth unemployment and housing stress capped enthusiasm.

In Australia, equities underperformed, with the S&P/ASX 300 Accumulation Index up 0.4%, as stronger-than-expected inflation data curtailed hopes for near-term RBA interest rate cuts.

In Europe, equities advanced moderately. The Euro Stoxx 50 gained 2.8%, driven by luxury and auto stocks supported by recovering Chinese demand. The ECB kept rates steady for a third meeting as inflation fell to 2.2%, its lowest in three years. The UK's FTSE All-Share rose 3.7%, aided by a weaker pound and a 30-basis-point drop in gilt yields, as softer inflation boosted rate-sensitive sectors.

Emerging markets performed well overall, led by Argentina (+64%) after a pro-reform election result. Emerging-market debt (+2.2%) also outpaced developed markets, supported by high real yields and a softer dollar.

Commodities posted a 2.9% gain, led by industrial and precious metals, while gold regained safe-haven status amid geopolitical risks and record central-bank buying.

Overall, October reflected cautious optimism. Equities benefited from trade relief and resilient earnings, while bonds were mixed amid shifting rate expectations.

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



■ Sestante Assertive Index ■ RBA Cash Rate + 3% p.a.

Portfolio information

- Investment Objective: target RBA cash rate +3.0% per annum over rolling 7-year periods after fees.
- Asset Class: Diversified
- 85% Growth / 15% Defensive
- Portfolio Inception Date: 7 February 2019

ESG Risk Score

● Sestante Assertive Index

Corporate ESG Risk Score

20.4



Sovereign ESG Risk Score

14.3



ESG Pillar Score



5.8

Environmental



8.2

Social



4.4

Governance



0.7

Unallocated

Major Index Returns

	1 Month	3 Months	6 Months	1 Year	3 Years
S&P/ASX 200 TR AUD	0.39	2.70	11.09	12.46	13.08
MSCI World Ex Australia GR AUD	3.34	6.43	18.59	22.84	21.47
Bloomberg AusBond Composite 0+Y TR AUD	0.36	0.80	1.68	6.47	4.05
Bloomberg Global Aggregate TR Hdg AUD	0.75	1.93	2.33	4.78	4.35
S&P Global Infrastructure NR AUD	0.95	1.40	7.13	17.05	13.83
RBA Cash Rate + 3% p.a.	0.56	1.69	3.47	7.27	7.27

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.

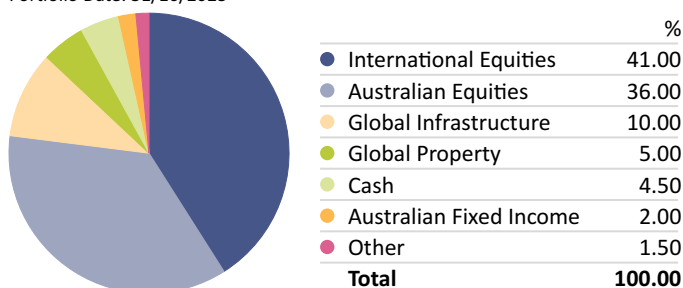
The Morningstar Historical Corporate Sustainability Score is a weighted average of the trailing 12 months of Morningstar Portfolio Corporate Sustainability Scores. Historical portfolio scores are not equal-weighted; rather, more-recent portfolios are weighted more heavily than older portfolios. Combining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

This document has been prepared by AZ Sestante Limited, ABN 94 106 888 662, AFSL 284 442 (AZ Sestante). This document is not an offer of securities or financial products, nor is it financial product advice. As this document has been prepared without taking account of any investors' particular objectives, financial situation or needs, you should consider its appropriateness having regard to your objectives, financial situation and needs before taking any action. Past performance is not a reliable indicator of future results. Although specific information has been prepared from sources believed to be reliable, we offer no guarantees as to its accuracy or completeness. The information stated, opinions expressed and estimates given constitute best judgement at the time of publication and are subject to change without notice. Consequently, although this document is provided in good faith, it is not intended to create any legal liability on the part of any other entity and does not vary the terms of a relevant disclosure statement. All dollars are Australian unless otherwise specified.

Current Asset Allocation

Portfolio Date: 31/10/2025



Where your funds are invested

International Equities	41.00	
Vanguard All-World ex-US Shares ETF	14.00	●●●●
iShares S&P 500 AUD Hedged ETF	13.00	●●●●
iShares S&P 500 ETF	11.00	●●●●
Vanguard Emerging Markets Shares Index	3.00	●●
Australian Equities	36.00	
iShares Core S&P/ASX 200 ETF	28.00	●●●●●
iShares Australian Equity Index	8.00	●●●●
Global Infrastructure	10.00	
VanEck FTSE Gbl Infrs(AUD Hdg)ETF	10.00	●●●●
Global Property	5.00	
VanEck FTSE Intl Prop (AUD Hdg) ETF	5.00	●●●●
Cash	4.50	
BetaShares Aus High Interest Cash ETF	2.50	—
Cash	2.00	—
Australian Fixed Income	2.00	
iShares Australian Bond Index	2.00	—
International Fixed Income	1.50	
iShares Global Bond Index	1.50	●●●●
	100.00	

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 October, we allocated to Emerging Market equities and established a position in the Vanguard Emerging Markets Shares Index Fund. This was funded by trimming the exposure to the Vanguard All-World ex-US Shares Index ETF.