MyNorth Managed Portfolios

SESTANTE DYNAMIC AGGRESSIVE

Monthly Update for Month Ending September 2025

Investment objective

Aims to deliver outperformance of the RBA Cash Rate +5.0% after feees over a rolling 7 year period.

Key information

Code	NTH0543
Manager name	AZ Sestante Ltd
Inception date	28 March 2025
Benchmark	RBA Cash Rate + 5.0%
Asset class	Diversified
Number of underlying assets	13
Minimum investment horizon	7 years
Portfolio income	Default - Paid to Platform Cash
Management fees and costs	'0.68%
Performance fee	'0.02%
Estimated net transaction costs	'0.00%
Estimated buy/sell spread	0.08%/0.08%
Risk band/label	7/Very high
Minimum investment amount	$500

About the manager

AZ Sestante Ltd

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. Founded in 2016, AZ Sestante is a subsidiary of Azimut, Italy's largest asset manager listed on the Italian stock exchange.

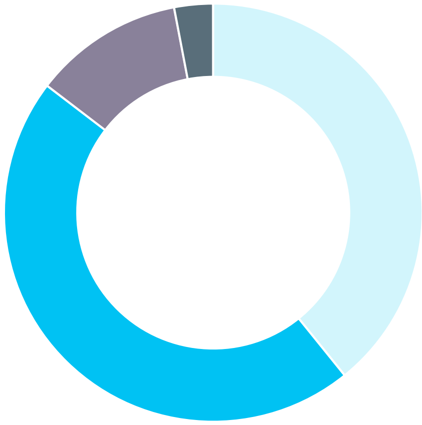
Returns

as at 30 September 2025

	Since inception*	1 Month (%)	3 Month (%)	6 Month (%)	1 Year (%)	3 Years (%)
Total return[1]	10.21	0.27	4.29	-	-	-
Income	2.99	0.01	2.41	-	-	-
Growth	7.22	0.26	1.88	-	-	-
Benchmark[2]	4.44	0.70	2.19	-	-	-

* Since inception returns commence from the month end of the portfolio's launch.

Asset allocation



as at 30 September 2025

Growth assets	Allocation (%)
Australian Equities	39.2
International Equities	46.2
Property	11.6
Other	0.0
Total	**97.0%**

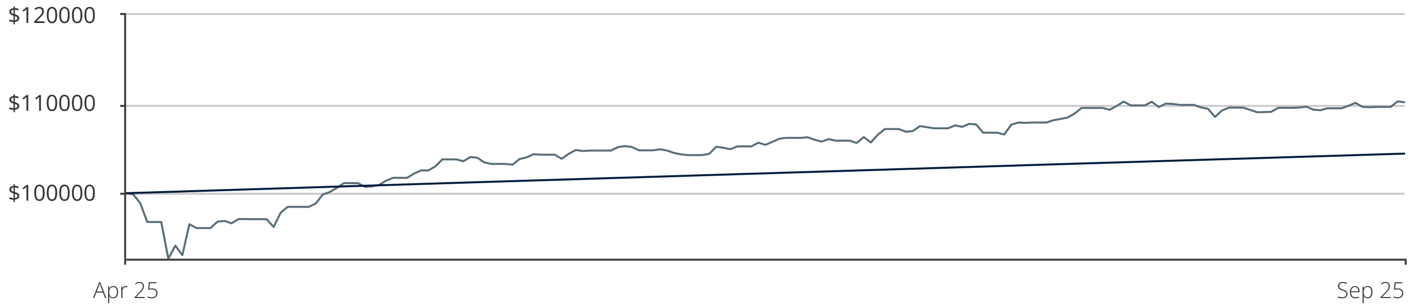
Defensive assets	Allocation (%)
Australian Fixed Interest	0.0
International Fixed Interest	0.0
Cash	3.0
Total	**3.0%**

Asset allocation data sourced via Morningstar® from the underlying fund manager.

1 The managed portfolio performance represents total return for the periods. Returns have been calculated using the time-weighted method, they assume distributions are reinvested and are after investment management fees and indirect costs. Total and growth returns include accrued distributions, while income return includes paid distributions only. Returns do not take into account tax payable. Individual client returns may vary based on the contributions, withdrawals, and timing differences within the managed portfolio
2 The applicable Benchmark for this portfolio is shown in the Key Information section.

Performance history

$100,000 invested since 01/04/2025



01/04/2025 - 30/09/2025 Powered by data from FE fundinfo

Portfolio
Benchmark

Managed portfolio holdings[3]

Holding	Asset class	Allocation (%)
Ishares Core S&P/ASX 200 Etf Ishares Core S&P/ASX 200 Etf	Australian Equities	13.5
Vanguard Msci Index International Shares Etf Exchange Traded Fund Unit	International Equities	12.0
Schroder Australian Equity Fund	Australian Equities	10.5
Ironbark Brown Advisory Global Share Fund	International Equities	10.0
GQG Partners Global Equity Fund (AUD Hedged Class)	International Equities	9.5
Yarra ex-20 Australian Equities Fund	Australian Equities	8.5
Paradice Australian Equities Fund	Australian Equities	7.5
Vanguard All-World Ex-Us Shares Index Etf Vanguard All-World Ex-Us Sha	International Equities	7.0
Vaneck Ftse Global Infrastructure (Aud Hedged) Etf Vaneck Ftse Global Infrastructure (Aud Hedged) Etf	Property	6.5
Vaneck Ftse International Property (Aud Hedged) Etf Vaneck Ftse International Property (Aud Hgd) Etf	Property	5.0
Ishares S&P 500 Aud Hedged Etf Ishares S&P 500 Aud Hedged Etf	International Equities	4.5
Vanguard Msci Index International Shares (Hedged) Etf Vanguard Msci In	International Equities	3.5
Cash Account	Cash	2.0

Quarterly manager commentary

Market Update

Global investment markets delivered strong gains in Q3 2025, driven largely by enthusiasm for artificial intelligence (AI), robust corporate earnings, and a long-anticipated interest rate cut by the U.S. Federal Reserve. Equity markets led the rally, while credit markets tightened and commodities, especially precious metals, surged.

Global equities saw widespread strength. U.S. stocks, particularly in the tech and communication services sectors, posted record highs, with the S&P 500 up 8% and the Nasdaq propelled by AI-driven optimism. Semiconductors and AI-linked firms like Intel and Alphabet were standout performers. Emerging markets outperformed developed peers, with the MSCI Emerging Markets Index gaining over 11%, led by China, Taiwan, and Korea, all benefiting from AI exposure and improved U.S.-China trade relations.

Japan's stock market also had a notable quarter, as the Nikkei and TOPIX indices hit record levels, supported by strong earnings, share buybacks, and tech sector momentum. A weaker yen and improving corporate governance reforms further underpinned gains. UK equities rallied, supported by a weaker pound and strength in internationally exposed sectors. The FTSE 100 posted its best quarter since 2022. In Europe, performance was more muted; political uncertainty weighed on France and Germany, though financials supported broader Eurozone returns.

Australian equities delivered around 5% return for the quarter, with the Materials sector a standout performer, returning approximately 21%.

Credit markets outperformed government bonds. U.S. high yield and investment-grade credit tightened further, reflecting strong demand for yield and confidence in corporate fundamentals. U.S. Treasuries gained as yields declined, driven by the Fed's 25 basis points rate cut and signs of labour market softening. European and UK government bonds were more volatile amid fiscal concerns and persistent inflation. Japanese government bonds lagged, pressured by political instability and the Bank of Japan's hawkish signals.

Commodities were mixed. Gold and silver surged to record levels, driven by safe-haven demand and supply constraints. Broader commodity indices saw moderate gains, though energy prices declined slightly due to expectations of oil surpluses.

AI enthusiasm, improving corporate performance, and easing monetary policy created a favourable environment for risk assets. However, high valuations, geopolitical risks, and lingering inflation concerns remain key headwinds for investors as markets look ahead to Q4.

Portfolio Update

The portfolio delivered a return of 4.29% over the last quarter. The Paradice Australian Equities Fund significantly outperformed for the quarter, while the Schroders Australian Equity Fund underperformed its benchmark. The asset allocation decision to go outside of Australia's largest companies paid off, with the Yarra Ex-20 Australian Equities Fund outperforming the ASX 200, therefore adding value. Global equities saw widespread strength. U.S. stocks, particularly in the tech and communication services sectors, posted record highs. The US focussed iShares S&P 500 AUD Hedged ETF outperformed the MSCI World Index on an unhedged basis adding value over the quarter. Our position in the Vanguard All-World ex-US Shares ETF underperformed the broader MSCI AC World Index on both a hedged and unhedged basis, detracting from portfolio performance for the quarter. Both Infrastructure and Property had a relatively weak quarter compared with global equities but still posted reasonable positive returns for the quarter.

Market Outlook

The current market cycle has been exceptional in both length and scale, driven by enthusiasm for technology and artificial intelligence (AI). Investors who stayed fully invested have reaped massive gains, though sentiment now borders on euphoria. About 54% of fund managers in Bank of America's latest survey believe AI-related stocks are in bubble territory, given the heavy concentration of returns in a few mega-cap firms and a surge of unprofitable "pre-revenue" tech entrants reminiscent of the late 1990s. Even the "Magnificent Seven" are spending 60–70% of free cash flow on uncertain AI projects, risks largely ignored by investors.

However, today's context differs from the Dot-Com era. The Trump Administration's "run it hot" strategy channels fiscal and regulatory support into semiconductors and AI, treating technology as a national security priority. Unlike the Clinton-era focus on deregulation and budget surpluses, Washington now embraces industrial policy, protectionism, and persistent deficits, 5.8% of GDP in 2025, supported by record spending. Monetary policy is also looser, contrasting with the late 1990s' rate hikes that helped burst the bubble.

Another major distinction is the "wealth effect." U.S. household net worth has surged to $176 trillion, nearly six times GDP, with the top 10% driving half of consumption. Rising asset prices have made the stock market "too big to fail," as a major correction would quickly hit demand and employment. Policymakers, corporations, and investors are thus all incentivised to sustain asset prices, reinforcing a cycle where liquidity fuels growth and confidence.

While valuations are stretched and speculative behavior is evident, abundant liquidity and policy backing make a near-term collapse unlikely. Instead, investors should expect volatility rather than a systemic unwind, focusing on diversification, particularly small caps and international exposure, rather than betting against the prevailing trend.

3 A significant percentage of assets comprising this portfolio are only available through the managed portfolios and therefore can't be transferred out of the MyNorth Managed Portfolio Scheme. For more information relating to restrictions that may apply to asset transfers, refer to the 'Transferring assets in and out of your Portfolio' in Part 1 of the MyNorth Managed Portfolios PDS.