

Monthly Update for Month Ending March 2025

Investment objective

Aims to generate 4% p.a. income with moderate capital growth over the suggested minimum investment timeframe.

Key information

Code	NTH1047
Manager name	Lonsec Investment Solutions Pty Ltd
Inception date	12 February 2020
Benchmark	Morningstar Australia Balanced Target Allocation NR AUD
Asset class	Diversified
Number of underlying assets	21
Minimum investment horizon	4 years
Portfolio income	Default - Paid to Platform Cash
Management fees and costs	'1.02%
Performance fee	'0%
Estimated net transaction costs	'0.04%
Estimated buy/sell spread	'0.13%/0.14%
Risk band/label	4/Medium
Minimum investment amount	\$500

About the manager

Lonsec Investment Solutions Pty Ltd

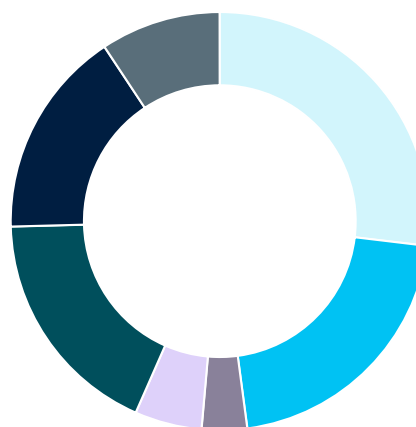
Lonsec Investment Solutions is a specialist model portfolio manager with extensive expertise in portfolio construction, asset allocation and investment selection, with our best ideas encapsulated in a series of Lonsec managed portfolios to meet different client needs. Lonsec's research-driven approach to portfolio construction and building quality investment solutions is underpinned by four key beliefs: 1. Dynamic approach to portfolio management. 2. Investing in high quality products rated 'Recommended' or higher. 3. Risk management focus and a rigorous governance process. 4. Diversification across asset classes.

Returns

as at 31 March 2025

	Since inception*	1 Month (%)	3 Months (%)	6 Months (%)	1 Year (%)	3 Years (%)	5 Years (%)
Total return ¹	3.68	-0.25	1.83	1.88	5.64	4.66	6.84
Income	4.50	0.06	1.01	1.95	4.93	4.54	4.63
Growth	-0.82	-0.31	0.82	-0.07	0.71	0.12	2.21
Benchmark ²	4.13	-1.79	-0.32	0.71	5.02	4.63	6.75

Asset allocation



as at 31 March 2025

Growth assets	Allocation (%)
Australian Equities	26.9
International Equities	21.0
Property	3.5
Other	5.2
Total	56.6%
Defensive assets	Allocation (%)
Australian Fixed Interest	18.0
International Fixed Interest	16.1
Cash	9.3
Total	43.4%

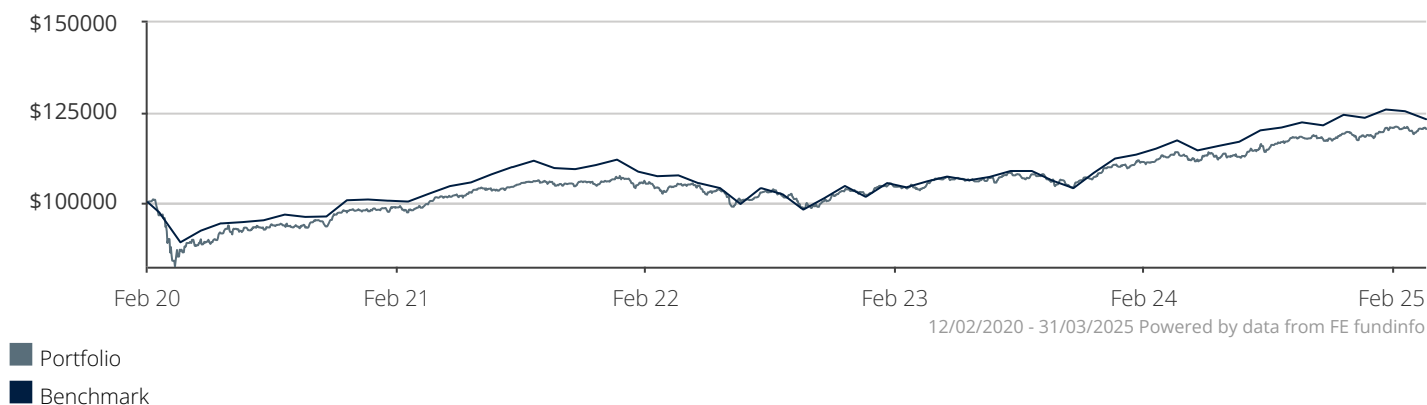
Asset allocation data sourced via Morningstar® from the underlying fund manager.

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 12/02/2020



Managed portfolio holdings³

Holding	Asset class	Allocation (%)
PIMCO Global Bond Fund - Wholesale Class	International Fixed Interest	8.5
Plato Australian Shares Income Fund	Australian Equities	8.5
Investors Mutual Equity Income Fund	Australian Equities	8.0
Schroder Fixed Income Fund - Professional Class	Other	8.0
Talaria Global Equity Fund	International Equities	7.5
Legg Mason Western Asset Australian Bond Fund - Class M	Australian Fixed Interest	7.0
Martin Currie Real Income Fund - Class A	Other	7.0
Fidelity Australian Equities Fund	Australian Equities	6.0
Macquarie Income Opportunities Fund	Australian Fixed Interest	5.0
AB Managed Volatility Equities Fund - MVE Class	Australian Equities	4.0
Global X Physical Gold Global X Physical Gold	Other	4.0
GQG Partners Global Quality Dividend Income Fund	International Equities	3.5
abrdn Multi-Asset Income Fund	Other	3.0
Betashares Global Shares Currency Hedged Etf Betashares Global Shares Currency Hedged Etf	International Equities	3.0
ClearBridge RARE Infrastructure Income Fund - Hedged	Property	3.0
Colchester Emerging Markets Bond Fund - Class I	International Fixed Interest	3.0
Janus Henderson Tactical Income Fund	Australian Fixed Interest	3.0
Arrowstreet Global Small Companies Fund	International Equities	2.0
Cash Account	Cash	2.0
GQG Partners Emerging Markets Fund	International Equities	2.0
Ishares Core Cash Etf Ishares Core Cash Etf	Cash	2.0

Quarterly manager commentary

Market Update

Stocks started the year where it left off, continuing its advancement as hopes of disinflation and pro-growth policies by the newly elected President Trump buoyed market. However, as the administration's policies materialised, US stocks fell sharply. President Trump showed his commitment to imposing tariffs on its trading partners, as well as aiming to reduce immigration. The market has assessed this as negative for US growth and inflation, stoking fears of a 'stagflationary' economy. Coupled with elevated valuations, the S&P 500 was one of the poorest performing index in the quarter, falling by 4.3% (local currency terms).

Europe, on the other hand, outperformed due to large spending plans announced by Germany and brightening sentiment. The Euro Stoxx 50 rose 7.2% as investors rotated away from its concentrated positioning in US large caps.

Despite ongoing US trade tariffs and policy uncertainty in the quarter, the MSCI Emerging Markets (EM) index gained 2.3% (in AUD terms). The market reacted favourably to China's release of DeepSeek, a lower-cost AI model, and the Chinese government's announcement of various stimulus measures aimed at supporting domestic consumption. A weaker dollar and falling US yields were also a tailwind for the region.

In Australia, the earnings outcome from the reporting season was mixed, with 58% of companies beating earnings expectations, down from 64% previously. The local stock market was also influenced by evolvments in the US and ended the quarter 2.8% lower.

Heightened policy uncertainty and fears of a weakening growth outlook supported fixed income returns. The Australian (Bloomberg AusBond

Composite Index) and Global fixed income (Bloomberg Global Agg Index (AUD Hedged)) benchmark rose by 1.3% and 1.1%, respectively. Elsewhere, gold was the prime beneficiary of a declining growth outlook and rising uncertainty, with the metal achieving its single best quarter in almost 40 years.

Portfolio Update

The portfolio delivered a return of 1.83% over the March quarter. In terms of income return, the portfolio generated 5.1% in income (before franking) over the 12 months to March, comfortably above its objective of 4%.

Equities fell over the quarter, as economic and policy uncertainty spiked, and the growth outlook deteriorated. Investors also rotated away from the most overvalued segments of the market in large growth stocks to value stocks. The portfolio has a natural bias to value stocks due to its income focus and is generally less sensitive to market movements than peers. As such, the portfolio was a beneficiary of the increased volatility and change in investor preference. The Australian equities managers outperformed the benchmark by 0.6%, supported by the AB Managed Volatility Equities Fund which played its defensive role nicely. The Global equities manager also generated significant alpha, adding 1% of value. The key standout in this cohort was the GQG Partners Global Quality Value Fund.

Real assets was a mixed bag; global listed infrastructure was the strongest performing asset class (+4.1%), while Australian REITs was the weakest (-6.6%). Pleasingly however, both our real asset managers in ClearBridge RARE Infrastructure Income Fund and Martin Currie Real Income Fund rose in the quarter and generated meaningful value-add.

Bond yields were volatile reflecting Trump's whip-sawing policies but broadly ended the quarter lower. Our fixed income managers achieved solid returns across the board, with all managers outperforming their benchmark.

The portfolio's exposure to Alternatives was additive to value. In particular, our position in gold was the largest contributor to returns while providing protection against increased global uncertainty. The Global X Physical Gold ETF rose 17.9% in the March quarter as gold continued to make new highs.

Portfolio changes during the quarter:

There were no portfolio changes in the quarter.

Market Outlook

Growth Outlook

The recent consumer sentiment survey from the University of Michigan revealed an ominous deterioration in unemployment and business condition expectations for the next 12 months to levels usually associated with prior recessions. Coupled with heightened uncertainty around trade and economic policy in the US, we have downgraded our assessment of the US economy. A slowing US economy will undoubtedly impact the rest of the world given its dominance in the global economy; however, we still see relative value in Emerging Markets as the Chinese government appears committed to materially stimulating domestic consumption.

Inflation Outlook

Persistent inflationary pressures continue challenging the market's narrative of a near-term return to low and stable inflation. Despite some easing, underlying price dynamics - particularly in services - remain sticky. Additionally, recent Trump administration tariff announcements will likely put upward pressure on prices, adding another layer of complexity to the inflation outlook. Financial markets have entered a more complex and volatile phase. From now on, inflation expectations - and their leading indicators - will carry as much weight as realised inflation in shaping policy and market reactions. As a result, interest rate volatility is likely to remain more elevated than in previous cycles.

The Fed must contend with actual and projected inflation remaining above target as Trump administration tariffs and US deficit impacts are intensifying. Against this backdrop, there is a growing likelihood that the Fed will maintain restrictive policy settings for longer than market expectations. All signs are the Fed are currently reluctant to reduce their key policy rate, even as US economic growth slows.

Summary

We recognise that macroeconomic conditions are softening, and the direction of travel is concerning. However, we believe conditions could quickly reverse if the Trump administration substantially backed down from its current policy stance. A permanent reduction in trade impediments and a normalisation of US-China relations, while seemingly distant possibilities at the moment, remain mainly out of choice versus circumstance. Overall, we have moved to be slightly more cautious and are now slightly underweight growth.

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.

Important Information

NMMT Limited (ABN 42 058 835 573 AFS License 234653), is the responsible entity of MyNorth Managed Portfolios (ARSN 624 544 136) (Scheme). To invest in the Scheme, investors will need to obtain the current Product Disclosure Statement (PDS) which is available at northonline.com.au. The PDS contains important information about investing in the Scheme and it is important investors consider their circumstances and read the PDS before making a decision about whether to acquire, continue to hold or dispose of interests in the Scheme. This quantitative report has been prepared for the purpose of providing general information, without taking account of any particular investor's objectives, financial situation or needs. Although the information is from sources considered reliable, AMP doesn't guarantee that it's accurate or complete. You shouldn't rely upon it and should seek professional advice before making any financial decision. Except where liability under any statute can't be excluded, AMP doesn't accept any liability for any resulting loss or damage to the reader or any other person. MyNorth Managed Portfolios are not sponsored, endorsed, sold or promoted by Morningstar, Inc. or any of its affiliates (all such entities, collectively, "Morningstar Entities"). The Morningstar Entities make no representation or warranties regarding the advisability of investing in managed portfolios generally or in the MyNorth Managed Portfolios in particular, or the ability of the Morningstar Benchmarks to accurately represent the asset class or market sector that it purports to represent. The Morningstar Entities and their third party licensors do not guarantee the accuracy and/or the completeness of the Morningstar Benchmarks, and the Morningstar Entities and their third party licensors shall have no liability for any errors, omissions, or interruptions included therein. The S&P/ASX 20 TR Index, S&P/ASX 200 TR Index, S&P/ASX 200 A-REIT TR Index, S&P/ASX 200 Industrials TR Index, S&P/ASX 300 TR Index, S&P/ASX 300 TR Index excluding S&P/ASX 20 TR Index, S&P/ASX Small Ordinaries TR Index, S&P/ASX 100 TR Index ("Index") is a product of S&P Dow Jones Indices LLC, its affiliates and/or their licensors and has been licensed for use by NMMT Limited. Copyright © 2021 S&P Dow Jones Indices LLC, its affiliates and/or their licensors. All rights reserved. Redistribution or reproduction in whole or in part are prohibited without written permission of S&P Dow Jones Indices LLC. For more information on any of S&P Dow Jones Indices LLC's indices please visit www.spdji.com. S&P® is a registered trademark of Standard & Poor's Financial Services LLC and Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC. Neither S&P Dow Jones Indices LLC, Dow Jones Trademark Holdings LLC, their affiliates nor their third party licensors make any representation or warranty, express or implied, as to the ability of any index to accurately represent the asset class or market sector that it purports to represent and neither S&P Dow Jones Indices LLC, Dow Jones Trademark Holdings LLC, their affiliates nor their third party licensors shall have any liability for any errors, omissions, or interruptions of any index or the data included therein.