Selector Australian Equities Fund

Monthly report – October 2025

Market insights

During October, long-dated yields in major economies such as the U.S., U.K. and Germany observed some of their sharpest falls in years amid growing expectations of rate cuts. The U.S. Federal Reserve delivered its second 25-point cut for the year, with all but two members voting for a cut. Of the two dissenters, one voted for no change, and the other for a 50-point cut. Inflation (3%) is running above the Fed's target range, and during a period of limited data availability, may be making its decision based on weaker trends in the job market. While markets had previously priced in another near guaranteed cut in December, Fed Chair Jerome Powell took this firmly off the table with the hawkish words *"a policy reduction at the December meeting is not a foregone conclusion…far from it"* and clarified that *"policy is not on a preset course"*. As we write, the U.S. Government is within days of its current shut down becoming the longest in the country's history, second only to 35 days in 2018. The situation certainly limits the data available to the Federal Reserve, forcing them to make decisions with a far more restricted view of the full economic picture.

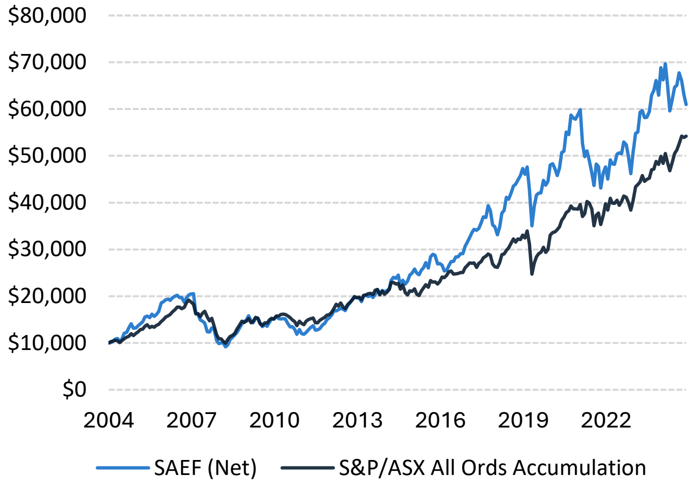
Australian trimmed mean inflation for Q3 came in above expectations at 1.0%, rising at its fastest pace since Q1 in 2023. With this, like the U.S., widely anticipated expectations of a rate cut at the Reserve Bank's next meeting faded, with the market shifting their expectations to May 2026.

Japan elected its first female Prime Minister during the month, Sanae Takaichi, who pledged to realise a "golden age" in Japan-U.S. relations. The new Prime Minister delivered an agreement late in the month with Trump, in which the U.S. agreed to reduced tariffs on Japanese goods, subject to Japanese investment commitments in the U.S in relation to energy infrastructure, critical minerals and investment cooperation. Takaichi's pro-market, pro-growth policy, alongside widely expected fiscal stimulus, saw the Nikkei 225 climb nearly 17% over the course of the month as the market began pricing in the prospect of improved business earnings.

We continue to seek businesses with:

1. Competent management teams
2. Business leadership qualities
3. Strong balance sheets
4. A focus on capital management

Net value of $10,000 invested since inception



Inception Date: 07/12/2004. Benchmark: S&P/ASX All Ordinaries Accumulation Index. Fund returns are after fees and costs, and assuming reinvestment of distributions. Past performance is not a reliable indicator of future results.

Top holdings

Company name	Code	Weight (%)
TechnologyOne	TNE	7.62
Nanosonics	NAN	7.11
Resmed	RMD	6.96
CAR Group	CAR	6.81
Aristocrat Leisure	ALL	6.49
Pro Medicus	PME	5.69
FINEOS Corporation Holdings	FCL	5.55
Cochlear	COH	5.41
James Hardie Industries	JHX	4.69
Breville Group	BRG	4.50

Unit prices as at 31 October 2025

Entry price	$3.0751
Mid price	$3.0674
Exit price	$3.0597

Performance as at 31 October 2025[1]

	1 Month	3 Month	6 Month	1 Year	3 Year[2]	5 Year[2]	10 Year[2]	15 Year[2]	20 Year[2]	Since Inception[2]
Fund (gross of fees)	(3.24)	(9.74)	(0.91)	(2.18)	10.79	7.75	11.47	12.45	10.64	11.68
Fund (net of fees)	(3.32)	(9.98)	(1.42)	(3.19)	9.53	6.48	9.55	9.73	7.99	9.03
All Ords Accum. Index	0.49	3.09	11.79	12.53	13.22	12.55	9.85	8.81	8.04	8.42
Difference (net of fees)	(3.81)	(13.07)	(13.21)	(15.72)	(3.69)	(6.07)	(0.30)	0.92	(0.05)	0.61

[1]Performance figures are historical percentages, calculated using end of month redemption prices, and do not allow for the effects of income tax or inflation. Returns assume the reinvestment of all distributions. Past performance is not a reliable indicator of future results. [2]Returns greater than 1 year are annualised.

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Performance contributors

Top five	Contribution (%)
Nanosonics	0.52
James Hardie Industries	0.52
Telix Pharmaceuticals	0.26
FINEOS Corporation Holdings	0.15
Cochlear	0.13

Bottom five	Contribution (%)
WiseTech Global	(1.14)
Pro Medicus	(0.91)
Aristocrat Leisure	(0.64)
REA Group	(0.35)
OFX Group	(0.35)

About Selector

Equity Trustees Limited ("Equity Trustees") (ABN 46 004 031 298), AFSL 240975, is the Responsible Entity for the Selector Australian Equities Fund ("the Fund"). Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT).

The Investment Manager, Selector Funds Management ("Selector"), specialises in high conviction, index agnostic, concentrated portfolio management. The investment team have a high level of experience, are owners of the business and invest in the funds alongside clients.

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