

AUGUST 2025 – PORTFOLIO UPDATE

The Australian market (XKOAI) rose again in August, up +3.2%. This is the fifth consecutive positive month. The market is now up +16% since the last negative month in March. The US was similar with S&P500 index rising +3.2%, however the tech-biased NASDAQ index managed only +1.6%. China (MSCI) +4.2% again outperformed as did Japan +4.0%. The UK (FTSE) +0.6% was more muted and Germany (DAX) fell -0.7%. Government 10-yr bond yields in both in the US and Australia barely moved. The Australian dollar rose +1.7%.

Australian reporting season saw extraordinary share price swings, with markedly different outcomes across the market. Small-caps surged +8.4% and mid-caps +5.5%, far exceeding the top 50 stocks at +2.1%. Much smaller Emerging Companies did the best of all delivering +9.9%. Value as a factor returned +7%, well ahead of Growth, which fell -3%.

The Ex-20 benchmark rose +4.1%, exceeding the overall market. The Quest portfolio returned +3.0%.

Gold stocks jumped +10% and was the best sector. Expectations of lower interest rates and a weaker US dollar lent support. Further earnings upgrades are likely for miners.

Discretionary retail +7.5% was also buoyant, with small retail doing especially well. The gain in the Autos +15% also stood out. Health -13% was clearly the worst sector reflecting hefty falls in large health stocks. Notably, the Tech sector fell -1.4%, explaining the poor showing by growth stocks. Commodities saw oil down -8% (WTIS) along with JKM LNG -7%, natural gas -4% and thermal coal. Iron ore +4% was well supported together with coking coal +6%, copper +2% and nickel +2%.

Reporting season once again delivered extreme stock movements, up and down. Small Industrials excelled with net earnings beat of over +20%, whilst the larger ASX100 stocks saw a net miss of -3%. Over 65% (by weight) of the Quest portfolio reported earnings that met or exceeded our expectations, whilst 24% did not report. That leaves 12% that disappointed, prominently Wisetech -15%, Ramsay Healthcare -13% and Amcor -11%. These falls and lacklustre trading in Clarity Pharma -32% Superloop -14%, Immutep -13% and Catapult -6% weighed on portfolio returns.

Best performers were gold miners Vault Minerals +47% and Northern Star 21%, along with small caps EROAD +31%, and Qoria +12%. Seek +15%, Life360 +16% and NextDC +14% continued to deliver despite the general fall in the Tech sector.

Whilst lower interest rates should provide support, markets have now marched to record highs in a sustained, five-month rally. We are being careful to contain portfolio risk, taking profits in growth-oriented names and tilting towards defensive stocks. We are well placed to capitalise should there be any market weakness, with room made available in the portfolio.

PORTFOLIO FEATURES

Inception	5 January 2017
Benchmark	S&P/ASX300 ex 20 Index
No. of holdings	20 - 40
Typical cash weight	3 - 10%
Investment horizon	3 - 5 years
Portfolio Managers	Troy Cairns/ Swapan Pandya
How to invest	Mason Stevens Platform Xplore Wealth Platform MyNorth Platform

RESEARCH RATINGS

Lonsec	*HIGHLY RECOMMENDED
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DRIVERS OF PERFORMANCE

POSITIVE

Vault Minerals, EROAD, Northern Star, Seek, Life360, Qoria, Integral Diagnostics, Propel Funerals, Judo Capital

NEGATIVE

Clarity Pharmaceuticals, Wisetech, Ramsay Healthcare, GQG Partners, Amcor, Superloop, Immutep, Catapult

CURRENT PORTFOLIO

Total holdings	38
Non-benchmark holdings	4
Tracking error	5.39%
Active share	77.3%
Earnings growth (1yr fwd)*	27.5% pa
ROE	13.9%
Beta	0.99
P/E (1yr fwd)*	32.7x
Dividend yield (1yr fwd)	2.3%

Source: Bloomberg (*outliers excluded)

PERFORMANCE*

To 30 August 2025	1month	3months	6months	1yr	3yrs (p.a)	5yrs (p.a)	Inception (p.a)
Quest Ex-20 Aust Equities	+3.0%	+8.1%	+9.3%	+8.5%	+9.3%	+8.6%	+12.5%
ASX300 Acc. ex ASX20 index	+4.1%	+8.0%	+13.6%	+18.7%	+11.8%	+10.5%	+9.4%
Value added	-1.1%	+0.1%	-4.3%	-10.2%	-2.5%	-1.9%	+3.1%

*Returns after fees based on the Mason Steven SMA model portfolio. Holdings and therefore returns may vary slightly, given small trading variations between SMA platforms. Performance fees, where applicable, are deducted six monthly following the June and Dec periods. Individual returns will differ for investors, depending on when the initial investment was established and the timing of any additional investments or redemptions. Past performance is no guarantee of future performance.



INVESTMENT PROFILE

The Quest Ex-20 Portfolio is a Separately Managed Account (SMA), actively managed by Quest Asset Partners. The Portfolio comprises between 20 and 40 securities and aims to outperform the S&P/ASX 300 index excluding the 20 largest companies. The Portfolio will have significant exposure to mid and small-capitalised stocks benefiting from our proven investment process and experience with smaller companies.

The assessment of business quality is fundamental to the Quest investment process. We aim to identify companies that can deliver good returns on invested capital and sustain those returns through time. Quest has a long track record of investment performance leveraging this process.

The portfolio will typically have a bias to companies with growth characteristics (revenue, earnings and return on equity) and can be expected to have significant exposure to companies not in the benchmark. Both these exposures will vary through time as opportunities arise.

Portfolio risk is actively managed with a focus on capital preservation.

The X20 Unit Trust is also available. It is managed in the same way and can be expected to have the same portfolio holdings as the Ex-20 SMA. The X20 PDS can be accessed by clicking [here](#).

PORTFOLIO HOLDINGS*

LARGE CAP

Car Group Wisetech	Resmed Xero
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MID CAP

ALS Limited SEEK	AUB Group Ventia
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SMALL CAP

Catapult Propel Funerals	Dicker Data Qoria
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*Not Complete

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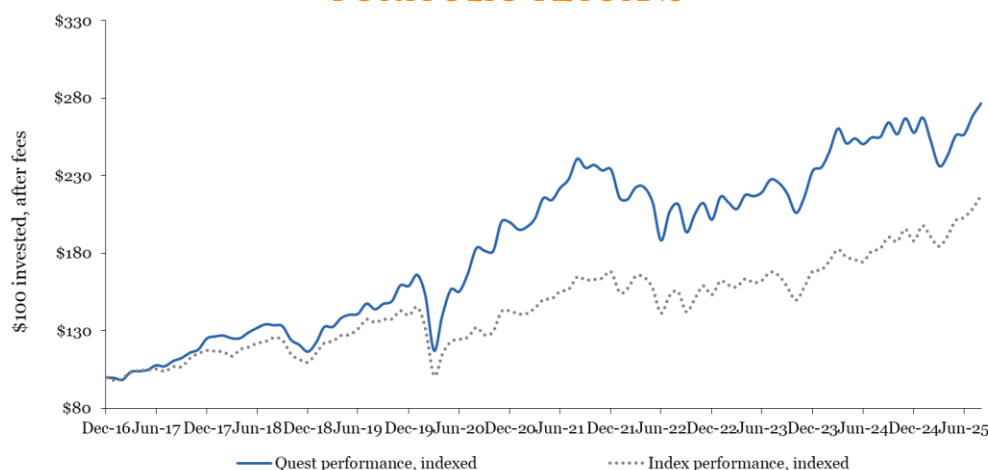
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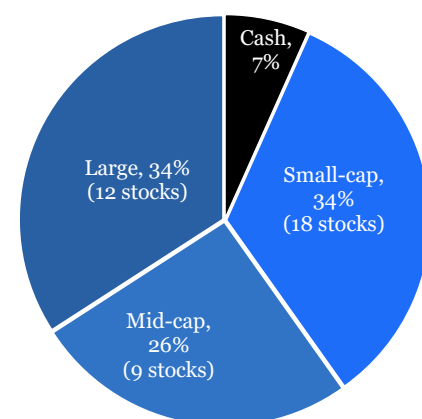
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PORTFOLIO RETURNS



PORTFOLIO 4 SEPT 2025



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