

PORTFOLIO FEATURES

Inception	8 July 2024
Benchmark Index	S&P/ASX300 Accumulation Index
No of holdings	33 (Maximum 35)
Quest AUM	\$1,034m
Investment horizon	3 - 5 years
Investment Strategy	Fundamental with a focus on business quality and free cash flow
Derivatives/Shorting	Nil
AFSL	279207



Lonsec Rating

CONCENTRATED PORTFOLIO NOVEMBER 2025

The Australian market (XKOAI) fell -2.6% in November. It was a painful month with the market down over 5.0% at its lowest point and was the weakest month since the April tariff tantrum. The falls were attributed to the US Fed and the RBA moving to less accommodative stances. The market was clearly shedding risk resulting in significant falls particularly in growth and tech-oriented stocks. The US markets fared better with the **S&P500** flat and the **NASDAQ** down -1.5%. The UK (**FTSE**) was also flat whilst Germany (**DAX**) was down only -0.5%. Japan (**Nikkei 225**) dropped -4.1%. Australian 10-year bond yields jumped +0.22% to end the month at 4.52%. This contrasted sharply with the US, where 10-year yields fell to 4.01%.

Interestingly large caps fell more than mid and small caps in both Australia and the US. Locally, **Gold** stocks +10% were again the strongest sector in the market and partly explain the small cap outperformance. That sector has now more than doubled over the last 12 months, compared to the market return of +6%. **Health** +1.7% and **Materials** were the next best sectors. Cash was also beneficial. **Technology** -10.8% was clearly the worst sector with heavy falls in large tech stocks reflecting significant analyst cuts to earnings forecasts as well as general concern over elevated valuations and "AI bubble" risk. **Financials** -6.5% were also down heavily

The Quest portfolio returned -3.3%, a little behind the benchmark. Our gold stocks did well: **Northern Star** +10% and **Genesis Minerals** +3%. Other good attributors included fund manager **GQG** +18%, gaming company **Light & Wonder** +40% and lithium miner **PLS** +23%, each having been added back to the portfolio recently. Whilst **Wisetech** rebounded +5%, a number of tech holdings were weaker as shown in the table to the left.

Central Bank rate cuts have been the global norm since the start of 2024 (excluding Japan), with 18 cuts in September alone from small and large CB's. With core inflation remaining above 3% in six of the ten largest economies, supportive moves are now much less likely. The Australian bond market is already pricing more than one rate rise.

Recent market weakness has created selective buying opportunities. However, equity market performance in early 2026 will likely hinge on President Trump's upcoming Federal Reserve Chair nomination and whether Chairman Powell remains on the Board to provide policy continuity and balance.

STOCK PERFORMANCE NOVEMBER 2025

POSITIVE

Light & Wonder	+40%
Pilbara Minerals	+23%
GQG Partners	+18%
Genesis Minerals	+14%
Northern Star	+10%

NEGATIVE

Qoria	-22%
Xero	-16%
Guzman & Gomez	-12%
Seek	-10%

Performance*

To 30 November 2025	1 month	3 months	1year	Since inception (pa)
Quest Concentrated Aust Equities	-3.1%	-2.2%	-1.8%	3.8%
ASX300 Accumulation index	-2.6%	-2.9%	5.8%	11.8%
Value added	-0.5%	0.7%	-7.6%	-8.0%

* Inception 08 July 2024. Fund performance and value added is net of all fees. **Past performance is no guarantee of future performance.** Returns for periods 1year or greater are calculated on an annualised basis.



PORTFOLIO ACTIVITY

Quest recently attended the **WiseTech** Investor Day where the company provided an update on their audacious plan to become *the operating system for global logistics and trade*. We got to spend additional time with leaders of the business and were again comforted by the depth and experience of the broader team.

The following chart illustrates recent volatility within the technology sector. Global investors remain cautious about the potential impact of AI on traditional software providers. Quest previously reduced exposure to names such as **Carsales**, **Qoria**, **Seek**, and **Wisetech**, but the recent pullback has created opportunities to rebuild positions. We continue to see long-term value in our holdings, which deliver essential, hard-to-replicate services. For these businesses, AI represents both a challenge and a significant growth driver. Software companies are likely to be among the first beneficiaries of AI-enabled productivity gains—both through the use of AI development tools and through enhanced functionality embedded in their products. These trends should help offset competitive pressures emerging from new AI-based entrants.

CBA has returned to the portfolio, mainly funded from **NAB**, **RIO** and **CSL**. CBA has the highest bank Q Stocks quality score, with sector leading capital, provision and ROE metrics. Recent relative CBA underperformance has closed the valuation spread to others in the sector. We remain underweight the sector.

CHART OF THE MONTH



Source: Iress

INVESTMENT PROFILE

The Quest Concentrated Australian Equities Portfolio is a Unit Trust, actively managed by Quest Asset Partners Pty Limited. Our objective is to outperform the S&P/ASX300 Accumulation Index.

Disclaimer

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KEY PORTFOLIO HOLDINGS

LARGE CAP

Aristocrat Leisure	ANZ
BHP	National Australia Bank
Northern Star	Origin Energy

MID CAP

Xero	Challenger
ALS	Block
Infratil	Dexus

SMALL CAP

Judo Capital	Maas Group
Qoria	Ventia Services

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