

PORTFOLIO UPDATE

HNW Australian Equity Income Concentrated Portfolio

Monthly Report July 2025



- July was a stronger month for equities globally and domestically. The key news over the month was the easing of inflation, which is likely to prompt the RBA to cut rates when it meets next Tuesday. Globally, Trump remained active on tariffs, releasing a flurry of deals, adjustments, backflips, and side-deals, all of which are now largely ignored by the markets, outside of the share prices of Swiss watchmakers. Similar pronouncements led to a panic and a sharp decline in the global equity market in March and April.
- The **HNW Australian Equity Income Concentrated Portfolio** had a solid month up 3.8%, a pleasing outcome. There was minimal news due to companies being in blackout before releasing their six-month financial results in August.
- As expected, no companies declared dividends in July; however, August is expected to be a healthy month for income in the Portfolio.

	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	12m rolling	Incept annual
HNW Equity Income Concentrated Portfolio	-1.5%	2.2%	-3.0%	2.7%	-2.7%	4.2%	-3.2%	-0.9%	1.1%	3.9%	0.4%	3.8%	6.7%	4.6%

Portfolio Objective

Investment decisions are determined by the ability of the companies to maintain or grow income to shareholders or that are likely to provide franking credits (including contemplation of possible off-market buybacks).

Appropriate Investors

Pensioners or otherwise low marginal tax rate investors who might have more limited resources or otherwise used with other investments as a diversifier.

Portfolio Details

Benchmark	Not Aware
Number of Stocks	10-15
Asset Allocation	100% Equity
Inception Date	30 th November 2022
Security Target	within 5% of S&P ASX 200 weights

Market Update

There was minimal company-specific news during July, as companies were in blackout mode before releasing their six-month financial results in August. The key economic news over the month was the easing of inflation, which is likely to prompt the Reserve Bank to cut interest rates when it meets next Tuesday.

Top Positions July 2025 Yield (incl-franking)

Position	Yield
Woodside	9.1%
ANZ Bank	8.2%
Transurban	5.0%
Westpac	6.2%
Ampol	6.2%

Estimated portfolio metrics for FY26

	ASX 200	HNW Con
PE (x) fwd.	19.5	13.1
Dividend yield (net)	3.4%	5.9%
Est Franking	67%	81%
Grossed Up Yield	4.2%	7.5%
Number of stocks	200	15
Avg mcap \$B	11	55
Beta (3mth rolling)	1.0	0.91

Source: Bloomberg & UBS

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Portfolio Performance

In July, the **HNW Australian Equities Income Focus Portfolio** gained by 3.8% a solid month.

Over the month, positions in Whitehaven Coal (+19%), Woodside (+13%), Deterra Royalties (+10%), Dyno Nobel (+9%) and Region (+6%) added value.

On the negative side of the ledger QBE Insurance (-1%), and Transurban (-1%) detracted value.

Portfolio Trading

No trading was done this month.

Performance Calculation Methodology

The following conventions have been adopted for calculating performance:

- Transaction expenses of 10bp are applied to Portfolio buy and sell. Transaction expenses are capitalised into the cost base. Rebalancing transactions incur transaction expenses.
- Cash-flow from dividends is credited on the ex-date rather than the pay date. Franking is not considered which is consistent with the calculation methodology of the benchmark. Cash flow from dividends is assumed to be reinvested in issuer stock at the closing price on the ex-date.
- The Portfolio can participate in entitlement-based capital raisings, however, cannot participate in institutional raisings. The Portfolio must fund the required amount by the sale of the equivalent amount of equity. In the event of a subsequent scale-back the Portfolio will also record the pro-rata amount of script issued.
- Performance does not include consideration of taxation including capital gains tax.
- Performance numbers are presented on an unaudited basis