

## Australian Equities Fund

### Monthly Performance Update as at 30 November 2025

To review the fund's investment objective and strategy, fees information and risk indicator please see the funds' product disclosure statement and most recent fund update at [www.octagonasset.co.nz/our-funds/australian-equities-fund/](http://www.octagonasset.co.nz/our-funds/australian-equities-fund/).



Return comparison	1 Month	3 Months	1 Year	3 Years*	Since inception*
Net Fund Return^	-1.08%	-0.75%	5.42%	9.69%	4.40%
Gross Fund Return	-0.99%	-0.48%	6.63%	10.96%	5.71%
S&P/ASX Accumulation 200 Index (50% Hedged to the NZD)	-2.74%	-1.71%	7.15%	11.10%	7.02%
*Annualised					

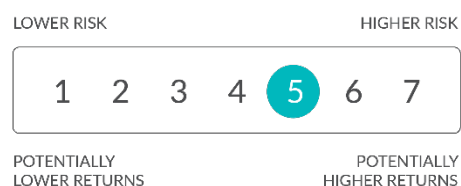
### Major investments

BHP Group Limited	7.82%
Commonwealth Bank of Australia Limited	6.17%
Westpac Banking Corporation	4.73%
CSL Limited	4.38%
Australia and New Zealand Banking Group Limited	3.83%
National Australia Bank Limited	3.37%
Macquarie Group Limited	2.61%
Rio Tinto Limited	2.38%
Telstra Group	2.37%
Goodman Group	2.27%
<b>Major holdings as % of total portfolio</b>	<b>39.94%</b>

### Things to note

- Manager: Forsyth Barr Investment Management Ltd
- Investment manager: Octagon Asset Management Ltd
- Date the fund started: 26 June 2008
- Tax status: Portfolio Investment Fund (PIE)
- Minimum suggested investment time frame: At least five years
- Market Index: S&P/ASX 200 Accumulation Index, 50% hedged to the NZD
- Currency: New Zealand dollars

### Risk indicator\*\*



View the [Product Disclosure Statement](#) for detailed information about this Fund and Octagon Investment Funds Scheme.

### Manager's comments

#### How did your portfolio perform?

The Australian Equities Fund delivered a gross return of -0.99% during November, significantly outperforming the fund's benchmark return of -2.74% by 1.75%.

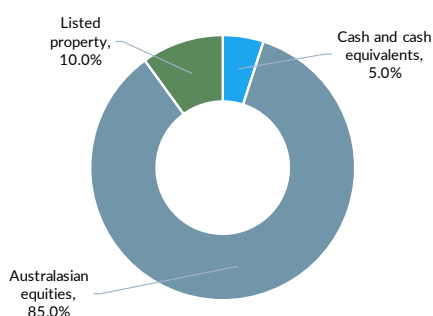
For the 12 months to the end of November, the Octagon Australian Equities Fund delivered a gross return of 6.63%, marginally underperforming the fund's benchmark return of 7.15% by -0.52%.

Key positive contributors to performance in November were our overweight position in Mining Services company Emeco Holdings (EHL) and our underweight position in Commonwealth Bank (CBA). Our out of index position in EHL continued to outperform in November, rising 15%, with the stock up ~51% this year. Management have delivered a strong turnaround with a laser focus on productivity and return on capital materially growing profit and a positive outlook. Shares in CBA fell 11% in November after missing earnings forecasts by ~2%. The result was only a slight miss to consensus but resulted in a sharp selloff.

Key detractors from performance in November were our underweight positions across the major gold miners, Newmont Corp and Evolution Mining. Momentum in the gold miners has been spectacular this year and continued in November. The gold price rallied to fresh all-time highs supported by 'risk-off' sentiment in markets. Both of these companies are exceptionally profitable at current spot gold prices with scope to deleverage rapidly the longer prices stay elevated.

We actively manage the fund's foreign currency exposures associated with Australian equities. During the month the NZD rose 0.07% against the Australian dollar (AUD).

## Target Asset Allocation



## Currency Hedging

As at 30 November 2025

Percentage of the fund exposed to FX risk	97.93%
Value of the fund unhedged (after hedging)	41.92%

## What happened in the markets that you invest in?

The Australian equity market fell -2.66% in November, dragged lower by the Technology and Real Estate sectors. In terms of economic data, the Australian Bureau of Statistics published its first edition of the new monthly CPI. There is some scepticism about the reliability of new data as seasonality and other adjustments likely coming into play. The data showed a further acceleration in the CPI to 3.8% YoY with the trimmed mean measure also rising to 3.2% YoY. Both ahead of expectations with price pressures broad based.

## What are we thinking about the future?

After three rate cuts and modest rates of economic growth the Australian economy is running out of productive capacity. Household demand is accelerating, and the labour market remains tight. Price setting behaviour appears to have shifted in Australia with the business sector looking for any opportunity to raise prices as wage and other cost growth threaten their margins. From our perspective, there is a strong case for the Reserve Bank of Australia (RBA) to pivot their stance from a mild easing bias to a hiking bias in 2026.

This bodes poorly for the most interest rate sensitive sectors of the market, including real estate, consumer discretionary, housing and infrastructure companies with long dated cashflows (and higher valuation multiples). We have added to our holdings across miners, contractors, industrials and more recently banks given November weakness.



**Jason Lindsay, CA**  
Head of Equities

## Fees

Annual fund charges are currently 1.15% p.a. of the value of your investment. We pay management and administration charges along with the Supervisor fee out of this. All fees and charges are quoted exclusive of GST.

For more information please visit [octagonasset.co.nz](https://octagonasset.co.nz), email [info@octagonasset.co.nz](mailto:info@octagonasset.co.nz), or call 0800 628 246

^ Net Fund Returns are calculated before the deduction of taxes and after deduction of fund charges and trading expenses and including imputation credits where available. Gross Fund Returns are calculated before deduction of taxes and fund charges but after deduction of trading expenses and including imputation credits where applicable. Market index returns do not have any deductions for fund charges, trading expenses or tax.

\*\* The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the relevant fund's assets goes up and down (volatility). A higher risk generally means higher potential returns over time, but more ups and downs along the way. The risk indicator is based on the returns data for the five years to 30 November 2025. See more information about the risks of investing in the Product Disclosure Statement.

This publication does not contain financial advice - for financial advice, please speak to your Investment Adviser. We recommend you review your investments and seek specialist advice on any taxation aspects. Past performance is not a reliable guide to future performance. Forsyth Barr Investment Management Limited is the issuer, and Octagon Asset Management Limited the investment manager, of the Octagon Investment Funds. A copy of the Product Disclosure Statement for the Funds is available from [www.octagonasset.co.nz/disclosureinformation](https://www.octagonasset.co.nz/disclosureinformation), by contacting your Investment Adviser, or by calling 0800 628 246.