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WEALTH PARTNERS

RESEARCH UPDATE

MARKET watch

NOVEMBER 2025

Global equity markets rose for the seventh consecutive month in October. US markets increased on the back of strong corporate earnings results, a rally in technology companies, another rate cut by the US Federal Reserve and an easing of trade tensions. The S&P 500 and the Nasdaq Composite Index closed 2.3% and 4.7% higher respectively, pushing aside concerns from the US Government shutdown. The Hang Seng Index fell 3.5% due to weakness in financial and technology heavyweights, including Alibaba and Baidu, and weak Chinese economic data. The S&P/ASX 200 ended the month slightly higher, up 0.4% as the Reserve Bank of Australia held the cash rate at 3.6%.

S&P/ASX 200 Sector Performance

The best-performing sector for October was Materials. The sector gained 4.3%, driven by stronger commodity prices. Lithium miners rose as lithium carbonate prices rebounded on a stronger demand outlook, with the Chinese government providing further support to electric vehicle and energy storage industries. Pilbara Minerals Limited (31.0%) led the rally in lithium miners, followed by Liontown Resources Limited (19.3%) and Mineral Resources (17.7%). China's steelmaking measures to address overcapacity has helped lift iron ore prices. Accordingly, Champion Iron Limited (18.6%), Fortescue Limited (14.0%) and Rio Tinto Limited (8.9%) led their peers higher. Other strong performers for the month were Sims Limited (19.4%), Westgold Resources Limited (18.8%) and South32 Limited (15.7%).

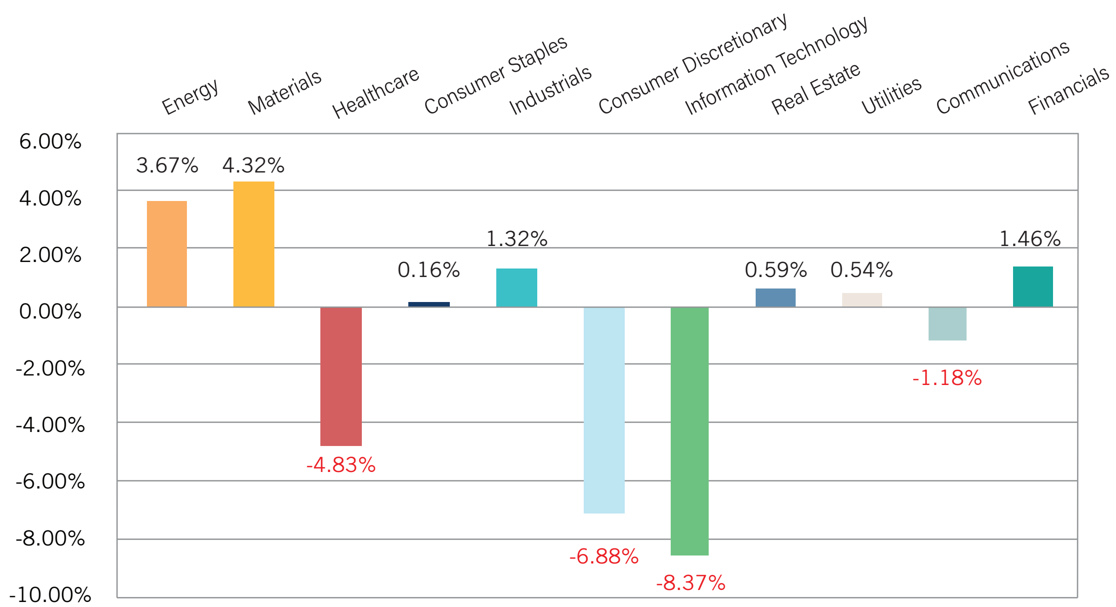
The Energy sector rebounded 3.7%, with gains led by Paladin Energy Limited, which jumped 16.0% after reporting record quarterly production of over a million pounds of uranium ore and a rebound in the average realised sales price. The company also completed an institutional placement and a share purchase plan, with the raised funds to be used to develop its Patterson Lake South Project and for general working capital as it ramps up production and processing at its Langer Heinrich Mine. Whitehaven Coal Limited gained 9.3% after posting resilient production results, despite being affected by flooding at its open-cut mines. Coal mining peers New Hope Corporation Limited and Yancoal Australia

Limited rose 5.9% and 5.1% respectively.

The major detractor in October was the Information Technology sector (-8.4%), driven by WiseTech Global Limited, which ended the month down 23.4%. The share price was lower throughout the month due to large amounts of director selling right before a larger drop in the company share price when WiseTech revealed that officers from the Australian Federal Police and the Australian Securities and Investments Commission had searched its offices for documents pertaining to possible insider trading by employees in late 2024 and early 2025. Losses were partially offset by Silex Systems Limited, which rallied 57.4% after achieving Technology Readiness Level 6 for its laser uranium enrichment technology.

Consumer Discretionary also had a weak month, falling 6.9%. Light & Wonder Inc. retreated 15.6% after finalising its timing to delist from the Nasdaq stock exchange and providing an update on its ongoing legal proceedings over copyright infringement against Aristocrat Leisure Limited. Aristocrat Leisure Limited fell 9.5% over the month, despite no significant news being released. JB Hi-Fi Limited declined 9.7%, despite reporting quarterly sales growth in line with expectations.

S&P/ASX 200 Sector Performance



Data Source: Desktop Broker, 3 November 2025.

Highlights

Australia: The Australian Bureau of Statistics published its annual retirement and retirement intentions data. During the 2025 financial year (FY25), 156,000 Australians over the age of 45 years retired. The average age of a new retiree was 63.8 years. At the end of FY25, there was a total of 4.5 million retirees with an average age of 57.3 years.

The Australian Transaction Reports and Analysis Centre (AUSTRAC) has fined cryptocurrency ATM provider Cryptolink over anti-money laundering and counter-terrorism financing failures.

An investigation by AUSTRAC revealed that Cryptolink had been late in reporting large cash transactions. Cryptocurrency ATMs have been put under increased scrutiny, with research revealing that the vast majority of users and transactions were linked to scams or money mule activity.

US: Nvidia has become the world's first US$5 trillion company, despite only reaching the US$4 trillion mark only three months ago. The rally has been driven by high demand for its advanced chips used for artificial intelligence. Apple and Microsoft are the only other companies with market capitalisations above US$4 trillion.

OpenAI will officially be converting into a for-profit company, having been a non-profit entity since its inception in 2015. As a part of the conversion, Microsoft will retain a 27% stake in the company, with another 47% of the company split between employees and other key investors. The remaining 26% stake will belong to the OpenAI Foundation, which will have the final say in regard to board members.

United Kingdom: The UK Government has announced plans to create 400,000 jobs in the renewable energy sector by 2030. Thirty-one priority occupations have been identified, including plumbers, electricians and welders.

France: French Prime Minister Sébastien Lecornu resigned on 6 October following criticism over his pick of ministers for his cabinet but was reappointed as prime minister on 10 October. The French Government has remained in political chaos since the snap election in 2024 resulted in a three-way hung parliament.

New Zealand: The Reserve Bank of New Zealand has made a 0.5% rate cut to bring its official cash rate to 2.5% as it looks to spur economic activity. The double rate cut surprised markets, which was expecting a 0.25% rate cut.

China: The Chinese economy saw slower growth in the third quarter, down to 4.8% from 5.2% in the previous quarter. Despite the trade war, exports were up 8% year over year, with lower exports to the US offset by higher exports elsewhere. The fall in gross domestic product growth was instead attributed towards weaker retail sales and the ongoing struggle of the property sector.

South Korea: South Korea has reached a trade deal with the US to lower reciprocal tariffs to 15%, down from 25%. As a part of the deal, South Korea will also invest US$350 billion into the US and buy US$100 billion of liquefied natural gas.

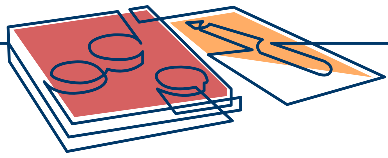
Japan: Sanae Takaichi has been appointed the 66th prime minister of Japan. The ruling Liberal Democratic Party split with long-time coalition partner Komeito and formed a new coalition with Ishin, the Japan Innovation Party.

The Bank of Japan held its interest rate at 0.5% in a 7-2 vote during its October monetary policy meeting. However, the BOJ has signalled that a rate hike is possible, with the board focused on the wage growth outlook.

What to watch out for

The US government shutdown on 1 October, with the Republicans and Democrats in a stalemate over the renewal of tax credits to subsidise health insurance. Despite having a majority in the Senate, the Republicans do not have the required 60 votes to pass a new government spending bill. It is set to become the longest government shutdown in history, surpassing the record set in 2019.

Conclusion



Global equity markets remain in a bull market, having risen for seven consecutive months. Recent drivers have included renewed AI optimism, strong corporate earnings and a rebound in commodity prices. Inflation has continued to moderate in most markets which has enabled Central Banks to cut interest rates, albeit there is some uncertainty as to whether inflation will continue to trend down. Geopolitical tensions across the world remain elevated but have so far had little impact on markets.

During periods of uncertainty, clients should:

- **Stick to the plan:** Focus on your long-term goals. Our investment approach is focused on the long term and designed so that your portfolio can ride out any downturns – including this one. Staying the course, despite how uncomfortable it may feel right now, will prove to be the better option when looking back five years from now.
  Investors who stayed the course while equity markets declined in the depths of the COVID-19 pandemic in early 2020 have benefitted from one of the fastest market turnarounds with equity markets. Investors who sold equities during the downturn and waited until economies started to show recovery before buying back into the market missed a large part of the recovery.

- **Maintain a buffer of safety:** Holding a buffer of cash and term deposits has been a key strategy to provide a cushion against market downturns and to protect capital.
- **Take advantage of the weakness:** Market downturns provide buying opportunities to invest in long-term, quality investments.
- **Focus on quality investments:** Invest in companies that generate stable cash flows to support distributions, which are not connected to the movements in asset prices, and partner with fund managers who share the same investment philosophy and objectives.
- **Diversify:** Spread investments across asset classes, industries, sectors and geographies.
- **Regularly rebalance the portfolio back to your risk profile:** Ensure the portfolio is not exposed to unwanted risks to lock in profits.
- **Remain calm, and speak to your Apt adviser:** It is important that you speak to your Apt adviser before making any financial moves. Your adviser understands your long- and short-term goals and will have been planning for these types of scenarios already, so they are best placed to explain any impact and discuss the best options and opportunities for you personally.

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