Public Trustee of Queensland **Growth Trust**

# Quarterly Market Report
June 2025

## Quarter in review

### Global equities

The June 2025 quarter saw global equity markets experience significant volatility against a backdrop of ongoing geopolitical tensions, tariff-related uncertainties and concerns over slowing economic growth.

In the United States (US), the Federal Reserve (Fed) held its benchmark overnight borrowing rate steady at 4.25%–4.5%. The June meeting marked the fourth consecutive meeting without a rate change. The Fed continues to adopt a cautious approach, maintaining current rates while closely monitoring inflation trends, labour market conditions and tariff-related uncertainties.

Domestically, the Reserve Bank of Australia (RBA) cut the cash rate by 0.25% to 3.85% at its May meeting. While this move was largely anticipated, the accompanying statement struck a more dovish tone than expected. Labour market data released in June showed slightly better results than the RBA had anticipated in its post-May meeting statement. The unemployment rate averaged 4.1% over the June quarter to date, compared to the RBA's forecast of 4.2%. While the difference is modest, it suggests a somewhat stronger near-term labour market than the RBA had expected in May.

Global equity performance was positive in the quarter. The MSCI All Country World Index ex-Australia (Hedged to the Australian Dollar, net) rose by 9.29%. Both the S&P 500 Index (net) and the S&P/ASX 200 Accumulation Index also posted strong gains, rising by 10.83% and 9.50%, respectively.

### Global fixed interest and cash

Global bond yields moved unevenly during the quarter in reacting to the ongoing economic uncertainty and shifting central bank policy signals. Australian and Japanese 10-year bond yields declined by 0.22% and 0.06% respectively, ending the quarter at 4.16% and 1.43%. Meanwhile, the US 10-year treasury yield had a modest increase of 0.02%, ending the quarter at 4.23%. Bond markets are navigating a complex interplay of heightened geopolitical risks, persistent trade tensions, and concerns over economic growth, resulting in mixed returns and ongoing volatility.

### Public Trustee of Queensland Growth Trust returns

(net of fees) for quarter ended 30 June 2025

| | |
|---|---|
| 3 Month Actual Return | **5.15%** |
| 12 Month Actual Return | **11.21%** |
| 3 Year Annualised Return | **9.96%** |
| 5 Year Annualised Return | **7.57%** |
| 7 Year Annualised Return | **5.57%** |
| 10 Year Annualised Return | **5.70%** |

Past performance is not a reliable indicator of future performance. Returns assume reinvestment of all distributions. Effective 7 April 2017, the investment strategy is to invest in the QIC Long Term Diversified Fund (formerly known as the QIC Growth Fund).

### Public Trustee of Queensland Growth Trust

as at 30 June 2025

| | |
|---|---|
| Commencement date | **10 July 1996** |
| Fund size $ million | **211.2** |
| Buy price $ (post distribution) | **0.938132** |
| Sell price $ (post distribution) | **0.937288** |
| Distribution (cents/unit) | **7.4703** |

The investment objective of the PTQ Growth Trust is to generate average returns (net of fees and costs) of CPI + 1.9% p.a. over rolling five year periods.

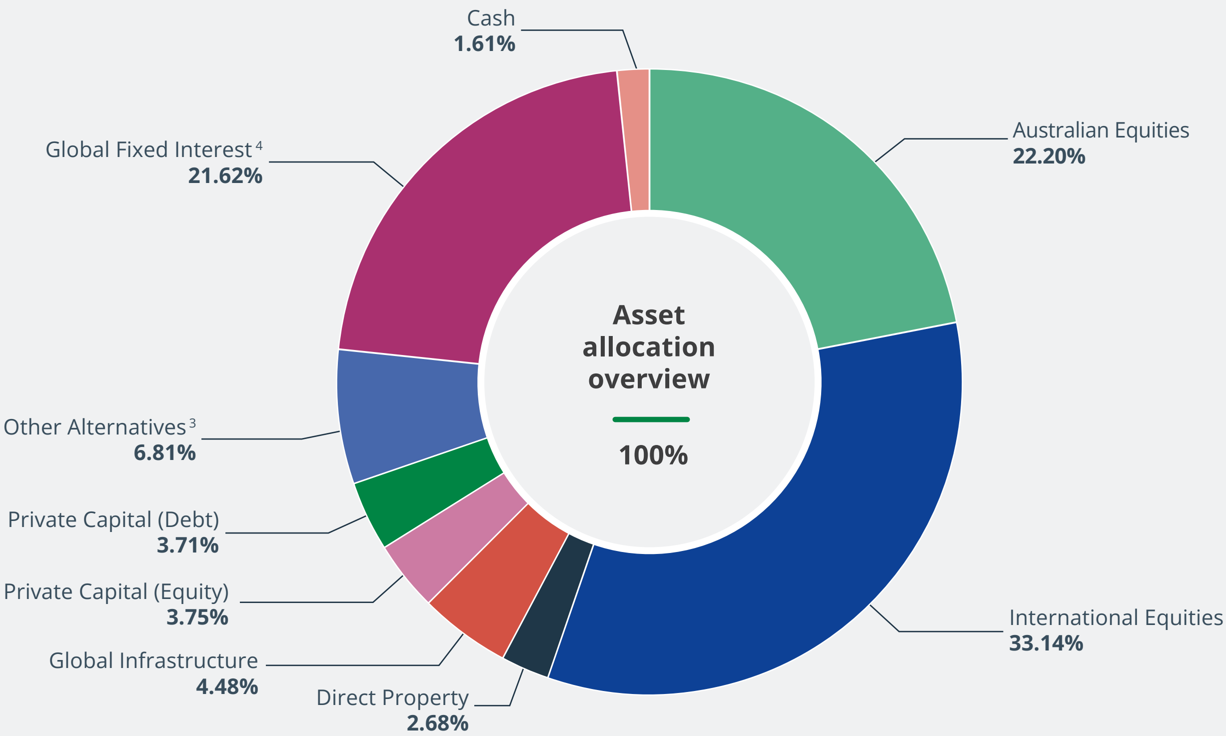
QPT QUEENSLAND PUBLIC TRUSTEE

Phone **1300 360 044**
Web **www.pt.qld.gov.au**

## Asset allocation[1, 2]

as at 30 June 2025

**Asset allocation:** The Public Trustee of Queensland Growth Trust (Growth Trust) currently gains exposure to the various asset classes and investment sectors by investing in the QIC Long Term Diversified Fund and, may in the future, invest in the QIC Diversified Australian Equities Fund (QIC Funds). Liquidity for the Growth Trust is managed with an investment in the range of approximately 0.0% to 1.0% of the Growth Trust's assets in cash. The Growth Trust is a managed investment scheme that invests, indirectly, through the QIC Funds, in a diversified portfolio of assets including Australian and international shares, fixed interest, property, infrastructure, private equity, private debt, alternative assets and cash.




1. The Growth Trust gains investment exposure to the above asset classes by investing in the QIC Funds and cash. These ranges are determined by QIC and can and do change from time to time.
2. The QIC Funds' exposure to the asset class may be by direct or indirect ownership of the asset or exposure to the asset via derivative instruments.
3. May include investments in real assets such as Timber, Commodities, and Natural Resources.
4. Global fixed interest and credit exposures can be reported at various interest rate and credit spread durations respectively which will directly determine the volatility experienced. For example, if the interest rate duration target is 10 years, a 2% notional exposure to a fixed interest security with a duration of 8 years is reported as a 1.6% exposure. Similarly if the credit spread duration target is 5 years, a 2% notional exposure to credit with a duration of 3 years is reported as a 1.2% exposure. The QIC Long Term Diversified Fund defines and reports its fixed interest exposure in terms of 10-year interest rate duration and its credit exposure in terms of a 5-year credit spread duration. The QIC Long Term Diversified Fund may also contain inflation exposures, which may be implemented via either physical and/or synthetic instruments.


## Contact us

Phone **1300 360 044** Email **clientenq@pt.qld.gov.au** Web **www.pt.qld.gov.au**