

# CFS Sestante Index Assertive Portfolio – Super & Pension Monthly Investment Report

As of 31/10/2023

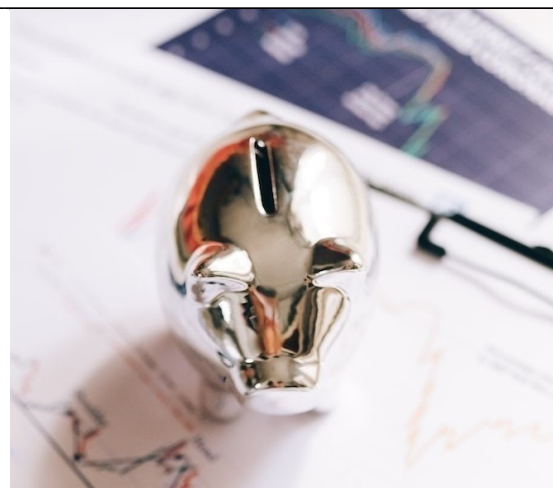
## Latest Performance\*

|                                         | 1-mth | 3-mths | 6-mths | 1-yr | Inception |
|-----------------------------------------|-------|--------|--------|------|-----------|
| CFS MA Index Assertive Pension          | -1.96 | -5.58  | -2.53  | —    | 0.64      |
| CFS MA Index Assertive Super            | -1.77 | -5.04  | -2.23  | —    | 0.63      |
| RBA Cash Rate +4.0%                     | 0.69  | 2.06   | 4.13   | 7.91 | 5.45      |
| Morningstar AUS Growth Tgt Alloc NR AUD | -2.40 | -5.40  | -2.85  | 3.82 | -0.07     |

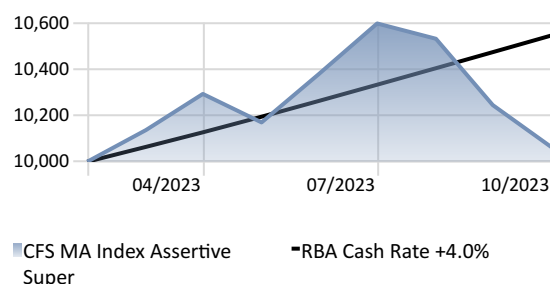
## Market Review

As of the end of October, the Australian equity market was down 3.8% due to growing concerns about interest rate hikes from the Reserve Bank of Australia (RBA). Despite the RBA's decision to keep interest rates on hold at its October meeting, fears of further rate hikes were fuelled by stronger-than-expected inflation, employment, and retail sales data. In the same vein, Australian treasury bond yields trended higher in October due to fears of higher inflation, resulting in a negative 1.9% return for Australian fixed interest. Global equity suffered a downturn (-1.09%), with stock markets experiencing a modest correction until the last few days of the month. This correction was primarily due to rising rates on the long end of the yield curve, as bonds became an increasingly attractive alternative to equities. International fixed interest experienced a decline of 0.83%, with interest rates on the long end of the US yield curve continuing to rise, albeit at a more moderate pace than in the previous three months. The outbreak of the conflict in Palestine led to a moderate retracement of rates due to fears of an escalation involving other Middle Eastern countries. When this risk appeared to subside, rates rose to new highs on the back of solid US macroeconomic data, particularly on the labour market, consumption, GDP, and inflation. The US yield curve flattened and even briefly inverted in the 2-30 year range. Global infrastructure delivered negative 1.17% amid higher long-term bond yields, the uncertain macroeconomic landscape with recent geopolitical developments introducing potential external risks to economic prospects and market sentiment. In terms of currency, the AUD was down against the USD in October due to a divergence of monetary policies between Australia and the US, as well as a weaker Chinese economy.

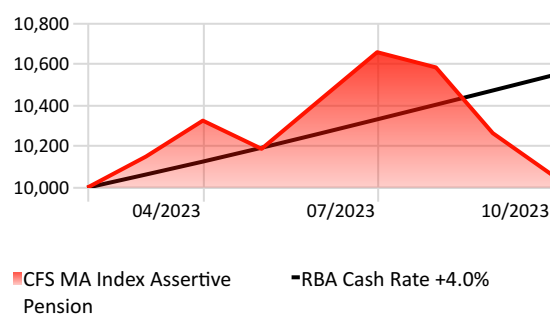
For a detailed market review and outlook, please refer to the Monthly Market Commentary document available on [www.azsestante.com/investment-options](http://www.azsestante.com/investment-options)



### \$10,000 invested over time - Super



### \$10,000 over time - Pension

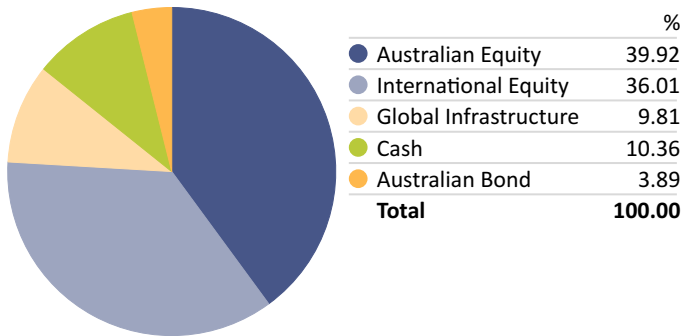


#### Portfolio information

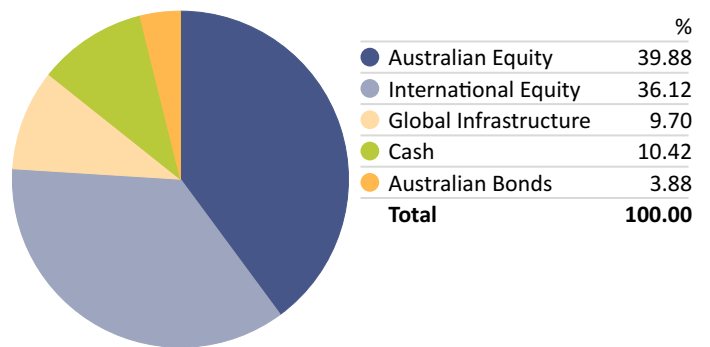
- Investment Objective: target RBA cash rate +4.0% per annum over rolling 7-year periods after fees.
- Asset Class: Diversified
- Standard Risk Measure: Very High
- 85% Growth / 15% Defensive
- Portfolio Inception Date: 1 March 2023
- Estimated Total Cost (before transaction costs and platform fees):

Super: 0.35%  
Pension: 0.35%

## Current Asset Allocation - Super



## Current Asset Allocation - Pension



## Where your funds are invested

|                                          |               |     |
|------------------------------------------|---------------|-----|
| <b>Australian Equity</b>                 | <b>39.92</b>  | —   |
| CFS FC W PSup-CFS W Index Aus Share      | 39.92         | 🌐🌐🌐 |
| <b>International Equity</b>              | <b>36.01</b>  | —   |
| CFS FC W PSup-CFS W Index Global Share   | 24.33         | 🌐🌐  |
| CFS FC W PSup-CFS W Index Global Shr-Hgd | 11.68         | —   |
| <b>Cash</b>                              | <b>10.36</b>  | —   |
| CFS FC W PSup-FSI W Strategic Cash       | 10.36         | —   |
| <b>Global Infrastructure</b>             | <b>9.81</b>   | —   |
| CFS FC W PSup-CFS Index Glb List Inf Sec | 9.81          | 🌐🌐  |
| <b>Australian Bond</b>                   | <b>3.89</b>   | —   |
| CFS FC W PSup-CFS W Index Aus Bond       | 3.89          | 🌐🌐🌐 |
|                                          | <b>100.00</b> |     |

## Where your funds are invested

|                                          |               |     |
|------------------------------------------|---------------|-----|
| <b>Australian Equity</b>                 | <b>39.88</b>  | —   |
| CFS FC W Pen-CFS W Index Aus Share       | 39.88         | 🌐🌐🌐 |
| <b>International Equity</b>              | <b>36.12</b>  | —   |
| CFS FC W Pen-CFS W Index Global Share    | 24.44         | 🌐🌐  |
| CFS FC W Pen-CFS W Index Global Shr-Hgd  | 11.68         | —   |
| <b>Cash</b>                              | <b>10.42</b>  | —   |
| CFS FC W Pen-FSI W Strategic Cash        | 10.42         | —   |
| <b>Global Infrastructure</b>             | <b>9.70</b>   | —   |
| CFS FC W Pen-CFS Index Glb List Infr Sec | 9.70          | 🌐🌐  |
| <b>Australian Bonds</b>                  | <b>3.88</b>   | —   |
| CFS FC W Pen-CFS W Index Aus Bond        | 3.88          | 🌐🌐🌐 |
|                                          | <b>100.00</b> |     |

Morningstar's Globe Ratings are just one tool that can help investors work out a fund's ESG credentials. A 5 Globe Rating indicates a fund is at the top end of its peer group in terms of sustainability, while a 1 Globe Rating shows it is underperforming on sustainability issues.

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### Portfolio changes

No changes this month

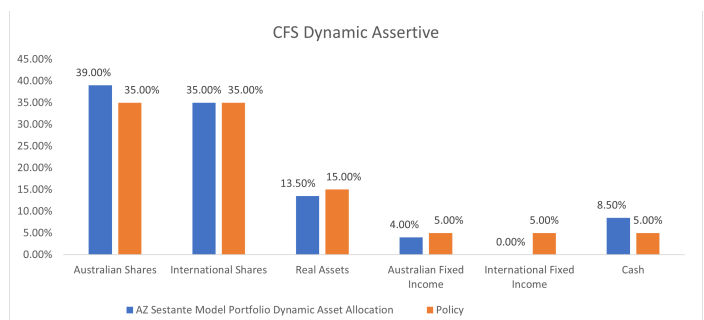
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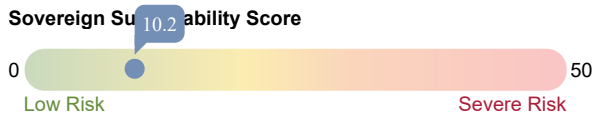
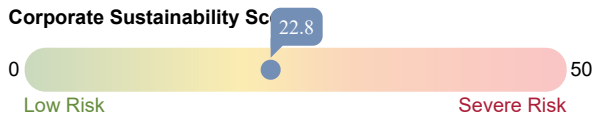
## Major Index Returns

|                                        | 1 Month | 3 Months | 6 Months | 1 Year | 3 Years |
|----------------------------------------|---------|----------|----------|--------|---------|
| Bloomberg Global Aggregate TR AUD      | 0.72    | 0.69     | -2.52    | 2.73   | -4.08   |
| MSCI World Ex Australia GR AUD         | -0.95   | -3.32    | 3.12     | 12.31  | 12.52   |
| S&P Global Infrastructure TR AUD       | -1.13   | -6.20    | -8.63    | -0.33  | 10.38   |
| Bloomberg AusBond Composite 0+Y TR AUD | -1.85   | -2.63    | -5.20    | -1.18  | -4.61   |
| S&P/ASX 200 TR AUD                     | -3.78   | -7.19    | -5.30    | 2.95   | 8.88    |

## Active Asset Allocation: AZ Sestante Model Portfolio vs Investment Policy Target

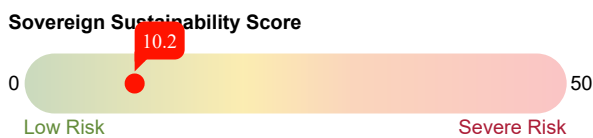
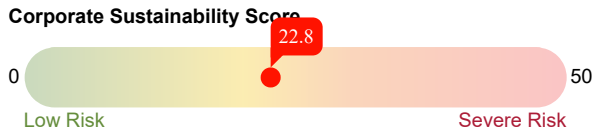


## Sustainability Score - Super



● CFS MA Index Assertive Super

## Sustainability Score - Pension



● CFS MA Index Assertive Pension

## ESG Pillar Score - Super



## ESG Pillar Score - Pension



## AZ SESTANTE

AZ Sestante is a specialist investment consultant focused on designing and managing a range of multi-manager model portfolios via SMAs, MDAs, and fund of funds. Our parent company Azimut is Italy's largest independent asset manager listed on the Italian stock exchange. The group manages over AU\$55 billion in assets globally including over AU\$6 billion in multi-manager solutions.

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### Important information

\*Past performance is not a reliable indicator of future performance. Performance is calculated before taxes, model management and platform fees and after underlying investment management fees. For full details of fees please refer to the relevant platform offer documents. Performance is notional in nature and an individual investor's actual performance may differ to the that of the model portfolio. Investment performance is shown from 01/03/23 and represents modelled performance only and assumes income received is reinvested.

The Morningstar Historical Corporate Sustainability Score is a weighted average of the trailing 12 months of Morningstar Portfolio Corporate Sustainability Scores. Historical portfolio scores are not equal-weighted; rather, more-recent portfolios are weighted more heavily than older portfolios. Combining the trailing 12 months of portfolio scores adds consistency while still reflecting portfolio managers' current decisions by weighting the most recent portfolio scores more heavily.

ESG pillar scores are displayed as a number between 0 and 100 with most scores range between 0 and 25. It is the asset-weighted average of the company environmental, social, governance risk scores for the covered corporate holdings in a portfolio. The scores measure the degree to which a company's economic value may be at risk driven by environmental, social, and governance factors. The risk represents the unmanaged risk exposure after taking into account a company's management of such risks.

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