

CFS Sestante Dynamic Balanced Portfolio – Super & Pension

Monthly Investment Report

As of 4/30/2024

Latest Performance*

	1-mth	3-mths	6-mths	1-yr	Inception
CFS MA Dynamic Balanced Pension	-2.37	1.94	10.26	6.45	5.08
CFS MA Dynamic Balanced Super	-2.09	1.73	9.10	5.79	4.55
RBA Cash Rate + 2.5% p.a.	0.57	1.71	3.48	6.97	13.00
Morningstar AUS Growth Tgt Alloc NR AUD	-2.79	1.71	12.60	9.39	10.05

Market Review

The negative return of 3.7% in April for the S&P 500 Index nearly erased the positive 3.9% gain seen in the first quarter of 2024. This decline was largely attributed to the unexpected surge in US inflation, which caught the market off guard. The Consumer Price Index (CPI) rose by 3.5% year-over-year, surpassing the market's prediction of 3.4%. The shift in the inflation outlook winded back rate cut expectations and had a notable impact on the stock market. As a result, the US 2-year and 10-year Treasury yield climbed immensely higher, placing heightened pressure on equity valuations.

The Global Equity Index experienced a 2.8% decline in April, primarily driven by the negative performance of the US market in response to the inflation data. Nonetheless, growth began to support the market in the latter half of April following the commencement of the US earnings season. By early May, the results of the Q1 earnings season were strong, with close to 80% of companies surpassing earnings estimates, exceeding its 30-year historical mean according to data from LGT Group. Large US banks, including JPMorgan, Goldman Sachs, Wells Fargo, and Morgan Stanley, reported solid results, surpassing EPS targets set by the market. The recovery was driven by strong capital market evidence by trading and investment Banking fees, alongside better-than-expected asset quality. Credit quality improved across all major US banks, with sequential declines in provisions. Moreover, EPS recovery appears to be broadening, with growth being driven by the so-called "Magnificent Seven" over the last two quarters, according to Oxford Economics.

The Global Fixed Income index returned a negative 1.7% on an AUD basis in April, reflecting the shift in the US yield curve higher in parallel. The US Treasury 10-year yield gained close to 50 bps, while the 2-year yield added 50 bps, touching 5% by the end of April.

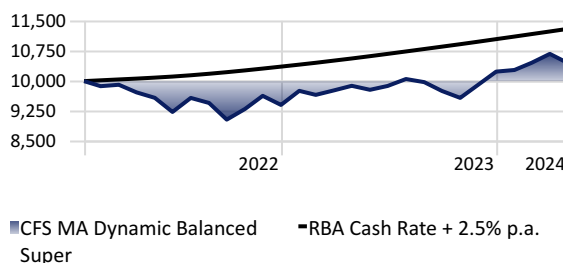
Australia received its 1Q24 CPI print on April 24th, with both CPI and trimmed mean inflation measures coming in about 20bps higher than anticipated by the Reserve Bank of Australia (RBA). The RBA's preferred measure of core inflation, the trimmed mean, rose by 1% quarter to quarter and 4% year on year. Albeit a year-on-year decline in core inflation from the previous quarter, the pace remained slower than desired by the RBA. Consequently, the RBA announced its decision to maintain the current interest rates at 4.35% on the 7th of May, in line with market expectations. This less hawkish tone from the RBA came as a small surprise to the market.

Australian Fixed income was negatively impacted by the upward movement of the Australian yield curve, returning a negative 2%. The inflation print drove the 10-year yield up by 40 bps, with the more interest rate-sensitive 2-year yield shifting close to 50 bps higher. Australian equity declined by 2.9% in April, led by interest rate-sensitive A-REIT (-7.8%). Only two sectors remained in the green in April: materials (+0.6%) and utilities (+4.8%). The utilities sector was buoyed by AGL, which returned an impressive 13% over April. Materials benefitted from China's recovery, a rebound in Iron Ore prices, and positive outlooks for gold prices, driving up shares of gold miners. The global property market saw a 6% decline, impacted by its sensitivity to interest rates, while Global Infrastructure lost 1.9%, outperforming the property market due to support from the utilities sector.

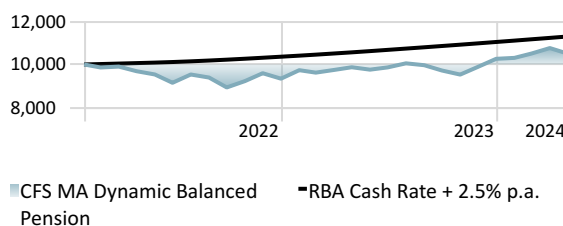
For a detailed market review and outlook, please refer to the Monthly Market Commentary document available on www.azsestante.com/investment-options



\$10,000 invested over time - Super



\$10,000 invested over time - Pension

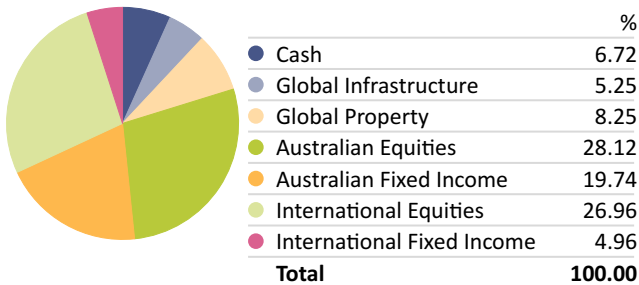


Portfolio information

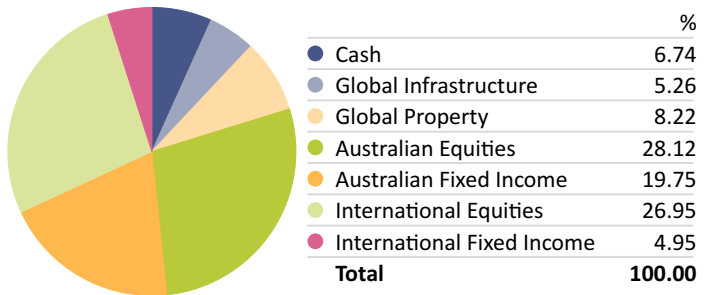
- Investment Objective: target RBA cash rate +2.5% per annum over rolling 5-year periods after fees.
- Asset Class: Diversified
- 70% Growth / 30% Defensive
- Portfolio Inception Date: 21 February 2022
- Estimated Total Cost: (Including administration, investment, transaction costs and performance fees)

Super: 0.99%
Pension: 0.98%

Current Asset Allocation - Super



Current Asset Allocation - Pension



Where your funds are invested

Australian Equities	28.12	—
CFS FC W PSup-Schroder Australian Equity	11.06	—
CFS FC W PSup-Fidelity Aust Equities	8.96	—
CFS FC W PSup-CFS Index Australian Share	4.88	🌐🌐🌐
CFS FC W PSup-FSI Aust Small Companies	3.22	🌐🌐
International Equities	26.96	—
CFS FC W PSup-Ironbark RL Con Glb Share	6.72	—
CFS FC W PSup-CFS Index Global Shr-Hgd	6.34	—
CFS FC W PSup-GQG Partners Glb Eq Hdg	4.92	—
CFS FC W PSup-Stewart Inv Wldwide Sus	4.82	🌐🌐🌐
CFS FC W PSup-GQG Partners Glb Equity	2.09	—
CFS FC W PSup-Fidelity Asia	2.07	—
Australian Fixed Income	19.74	—
CFS FC W PSup-Franklin Aust Abs Rtn Bond	7.06	—
CFS FC W PSup-Pendal Sust Aust Fix Int	6.98	—
CFS FC W PSup-Perpetual Divers Income	4.08	—
CFS FC W PSup-CFS Index Australian Bond	1.61	🌐🌐🌐
Global Property	8.25	—
CFS FC W PSup-Martin Currie Real Income	4.87	—
CFS FC W PSup-CFS Index Glb Property Sec	3.38	🌐🌐🌐
Cash	6.72	—
CFS FC W PSup-FSI Strategic Cash	6.72	—
Global Infrastructure	5.25	—
CFS FC W PSup-FSI Glb Listed Infrastruct	5.25	🌐🌐🌐
International Fixed Income	4.96	—
CFS FC W PSup-Colchester Glb Gov Bond	2.96	—
CFS FC W PSup-PIMCO Global Bond	2.00	—
	100.00	

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.

Portfolio changes

No portfolio changes for the month.

Major Index Returns

	1 Month	3 Months	6 Months	1 Year	3 Years
MSCI World Ex Australia GR AUD	-3.22	5.71	17.63	21.30	12.54
Bloomberg Global Aggregate TR Hdg AUD	-1.70	-1.70	4.18	0.38	-3.01
S&P Global Infrastructure NR AUD	-0.10	5.73	11.94	1.74	9.34
Bloomberg AusBond Composite 0+Y TR AUD	-1.98	-1.18	4.71	-0.73	-2.13
S&P/ASX 200 TR AUD	-2.94	1.04	15.17	9.07	7.30

Where your funds are invested

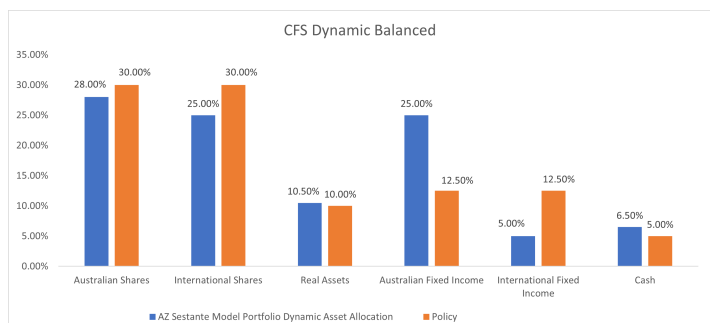
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CFS FC W Pen-FSI Aust Small Companies	3.21	🌐🌐
International Equities	26.95	—
CFS FC W Pen-Ironbark RL Con Glb Share	6.72	—
CFS FC W Pen-CFS Index Global Shr-Hgd	6.35	—
CFS FC W Pen-GQG Partners Glb Eq Hdg	4.90	—
CFS FC W Pen-Stewart Inv Wldwide Sus	4.81	🌐🌐🌐
CFS FC W Pen-GQG Partners Glb Equity	2.09	—
CFS FC W Pen-Fidelity Asia	2.08	—
Australian Fixed Income	19.75	—
CFS FC W Pen-Franklin Aust Abs Rtn Bond	7.07	—
CFS FC W Pen-Pendal Sust Aust Fix Int	6.98	—
CFS FC W Pen-Perpetual Divers Income	4.09	—
CFS FC W Pen-CFS Index Australian Bond	1.61	🌐🌐🌐
Global Property	8.22	—
CFS FC W Pen-Martin Currie Real Income	4.86	—
CFS FC W Pen-CFS Index Glb Property Sec	3.37	🌐🌐🌐
Cash	6.74	—
CFS FC W Pen-FSI Strategic Cash	6.74	—
Global Infrastructure	5.26	—
CFS FC W Pen-FSI Glb Listed Infrastruct	5.26	🌐🌐🌐
International Fixed Income	4.95	—
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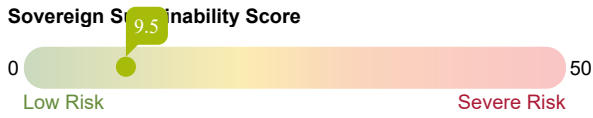
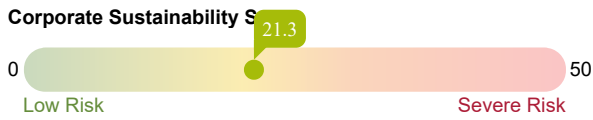
Portfolio changes

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

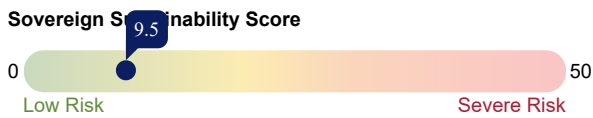
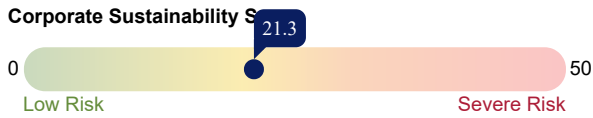


Sustainability Score - Super



● CFS MA Dynamic Balanced Super

Sustainability Score - Pension



● CFS MA Dynamic Balanced 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. E: invest@azsestante.com www.azsestante.com

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 21/2/2022 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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