

CFS Sestante Dynamic Balanced Portfolio – Super & Pension

Monthly Investment Report

As of 31/08/2024

Latest Performance*

	1-mth	3-mths	6-mths	1-yr	Inception
CFS MA Dynamic Balanced Pension	0.76	4.02	5.20	10.93	3.96
CFS MA Dynamic Balanced Super	0.69	3.62	4.67	9.71	3.55
RBA Cash Rate + 2.5% p.a.	0.59	1.75	3.53	7.09	5.79
Morningstar AUS Growth Tgt Alloc NR AUD	0.52	4.91	5.88	13.38	6.25

Market Review

The Japanese equity market benchmark, the Nikkei 225, tumbled by 20.7% during the first three trading days of August, triggering a ripple effect across global markets, including the United States. On 5th August, the CBOE Volatility Index (VIX), known as the “fear gauge,” spiked dramatically from 23 to 66, reflecting heightened investor anxiety. This market turmoil was driven by two key factors: the unwinding of the Japanese Yen carry trade following the Bank of Japan’s shift in monetary policy and weaker-than-expected US Nonfarm payroll data, fuelling recession fears. Amid this volatility, there were some positive economic indicators. The second revision of US GDP confirmed 3% growth in Q2, up from the initial estimate of 2.8%, and US inflation data for July continued to cool as expected. Overall, global equity markets lost 1.34% in August, though on an AUD-hedged basis, global equities gained 1.6% as the AUD appreciated by 3.5% against the US dollar.

In response to recession concerns and a dovish speech by Federal Reserve Chair Jerome Powell, the US 10-year yield fell by 13 basis points, while the 2-year yield dropped by 34 basis points, contributing to a 1% gain in global fixed income. In Australia, a softer-than-expected Q2 inflation print spurred a bond market rally, with the 10-year yield declining by 8 basis points and the 2-year yield by 20 basis points, leading to a 1.2% return for Australian bonds in August.

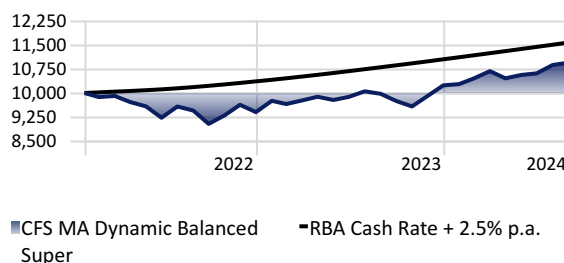
The Australian equity market saw mixed results during its reporting season, with corporate earnings down 4.5% for FY24, largely due to weaker commodity prices in the resource sector. However, consumer recovery was evident, with retailers like Super Retail and JB Hi-Fi reporting sales growth in early FY25. Growth stocks, as measured by the price/earnings (P/E) ratio, remained strong, with forward P/Es elevated above the 20-year average, according to Goldman Sachs. Brambles and WiseTech were standout performers, both reporting strong earnings and margin improvements. The Australian equity market ended August with a modest 0.44% gain.

Bond-sensitive sectors outperformed, with global property gaining 5.65%, driven by growth in the North American healthcare sector, particularly in senior housing. Infrastructure returned 3.04%, supported by the continued strength of US regulated utilities.

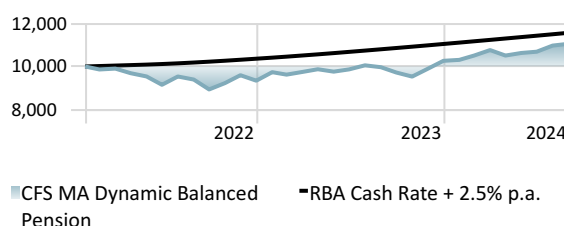
For a detailed market review and outlook, please refer to the Monthly Market Commentary document available on www.azsestante.com/investment-options



\$10,000 invested over time - Super



\$10,000 invested over time - Pension



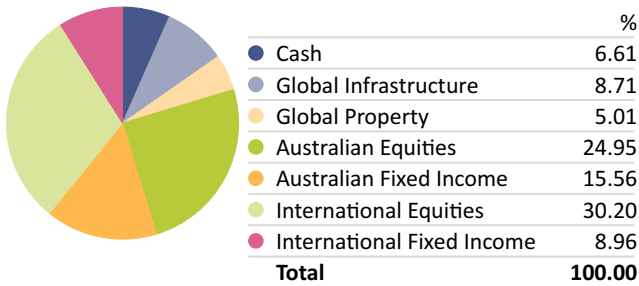
Portfolio information

- 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

Portfolio Date: 31/08/2024



Where your funds are invested

Category	Value	Change
International Equities	30.20	—
CFS FC W PSup-CFS Index Global Shr-Hgd	9.62	—
CFS FC W PSup-Ironbark RL Con Glb Share	6.55	🌐
CFS FC W PSup-GQG Partners Glb Eqt Hdg	5.01	—
CFS FC W PSup-Stewart Inv Wldwide Sus	4.91	🌐🌐🌐
CFS FC W PSup-GQG Partners Glb Equity	2.10	—
CFS FC W PSup-Fidelity Asia	1.99	—
Australian Equities	24.95	—
CFS FC W PSup-Schroder Australian Equity	11.01	🌐🌐🌐🌐
CFS FC W PSup-Fidelity Aust Equities	9.02	🌐🌐🌐
CFS FC W PSup-CFS Index Australian Share	4.92	🌐🌐🌐
CFS FC W PSup-FSI Aust Small Companies	0.00	🌐
Australian Fixed Income	15.56	—
CFS FC W PSup-Franklin Aust Abs Rtn Bond	6.98	—
CFS FC W PSup-Western Asset Aust Bond	4.29	🌐🌐🌐🌐
CFS FC W PSup-Pendal Sust Aust Fix Int	4.29	—
CFS FC W PSup-CFS Index Australian Bond	0.00	🌐🌐🌐
International Fixed Income	8.96	—
CFS FC W PSup-Macquarie Dynamic Bond	3.99	🌐🌐🌐🌐
CFS FC W PSup-Colchester Glb Gov Bond	2.98	🌐
CFS FC W PSup-PIMCO Global Bond	1.99	—
Global Infrastructure	8.71	—
CFS FC W PSup-FSI Glb Listed Infrastruct	8.71	🌐🌐🌐
Cash	6.61	—
CFS FC W PSup-FSI Strategic Cash	6.61	—
Global Property	5.01	—
CFS FC W PSup-CFS Index Glb Property Sec	5.01	🌐🌐🌐
Total	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

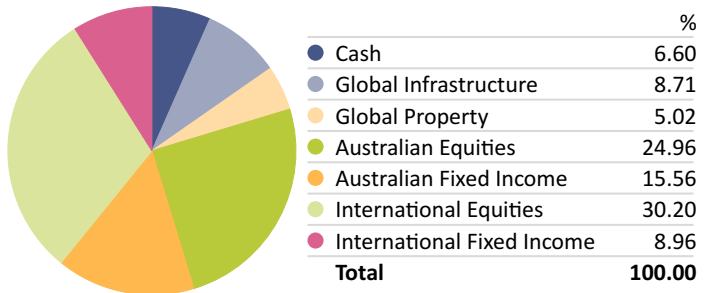
We sold Martin Currie Real Income and placed the proceeds 70% into First Sentier Global Infrastructure and 30% into CFS Index Global Property Securities. We also sold First Sentier Australian Smaller Companies and placed the proceeds into CFS Index Global Share (Hedged).

Major Index Returns

	1 Month	3 Months	6 Months	1 Year	3 Years
MSCI World Ex Australia GR AUD	-1.21	4.53	6.45	19.38	10.15
Bloomberg Global Aggregate TR Hdg AUD	0.99	3.69	3.55	5.97	-2.15
S&P Global Infrastructure NR AUD	0.62	3.69	12.00	13.63	9.47
Bloomberg AusBond Composite 0+Y TR AUD	1.21	3.50	2.99	5.15	-1.79
S&P/ASX 200 TR AUD	0.47	5.74	6.97	14.90	6.73

Current Asset Allocation - Pension

Portfolio Date: 31/08/2024



Where your funds are invested

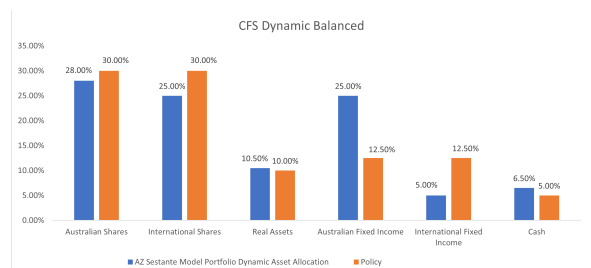
Category	Value	Change
International Equities	30.20	—
CFS FC W Pen-CFS Index Global Shr-Hgd	9.63	—
CFS FC W Pen-Ironbark RL Con Glb Share	6.55	🌐🌐
CFS FC W Pen-GQG Partners Glb Eqt Hdg	5.02	—
CFS FC W Pen-Stewart Inv Wldwide Sus	4.91	🌐🌐🌐
CFS FC W Pen-GQG Partners Glb Equity	2.10	—
CFS FC W Pen-Fidelity Asia	1.99	—
Australian Equities	24.96	—
CFS FC W Pen-Schroder Australian Equity	11.01	🌐🌐🌐🌐
CFS FC W Pen-Fidelity Aust Equities	9.02	🌐🌐🌐
CFS FC W Pen-CFS Index Australian Share	4.92	🌐🌐🌐
CFS FC W Pen-FSI Aust Small Companies	0.00	🌐
Australian Fixed Income	15.56	—
CFS FC W Pen-Franklin Aust Abs Rtn Bond	6.98	—
CFS FC W Pen-Western Asset Aust Bond	4.29	—
CFS FC W Pen-Pendal Sust Aust Fix Int	4.29	—
CFS FC W Pen-CFS Index Australian Bond	0.00	🌐🌐🌐
International Fixed Income	8.96	—
CFS FC W Pen-Macquarie Dynamic Bond	3.99	🌐🌐🌐🌐
CFS FC W Pen-Colchester Glb Gov Bond	2.98	🌐
CFS FC W Pen-PIMCO Global Bond	1.99	—
Global Infrastructure	8.71	—
CFS FC W Pen-FSI Glb Listed Infrastruct	8.71	🌐🌐🌐
Cash	6.60	—
CFS FC W Pen-FSI Strategic Cash	6.60	—
Global Property	5.02	—
CFS FC W Pen-CFS Index Glb Property Sec	5.02	🌐🌐🌐
Total	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.

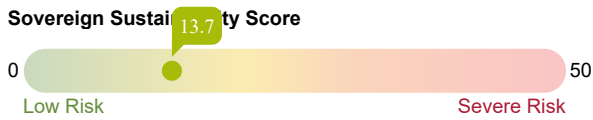
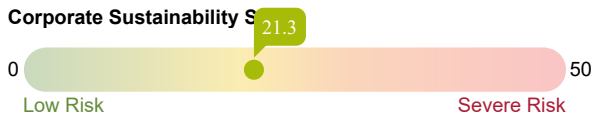
Portfolio changes

We sold Martin Currie Real Income and placed the proceeds 70% into First Sentier Global Infrastructure and 30% into CFS Index Global Property Securities. We also sold First Sentier Australian Smaller Companies and placed the proceeds into CFS Index Global Share (Hedged).

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

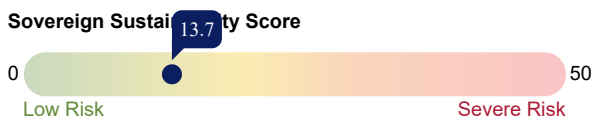
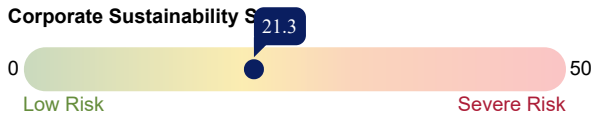


Sustainability Score - Super



● 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.

This document has been prepared by AZ Sestante Limited, ABN 94 106 888 662, AFSL 284 442 (AZ Sestante). This document is not an offer of securities or financial products, nor is it financial product advice. As this document has been prepared without taking account of any investors' particular objectives, financial situation or needs, you should consider its appropriateness having regard to your objectives, financial situation and needs before taking any action. Past performance is not a reliable indicator of future results. Although specific information has been prepared from sources believed to be reliable, we offer no guarantees as to its accuracy or completeness. The information stated, opinions expressed and estimates given constitute best judgement at the time of publication and are subject to change without notice. Consequently, although this document is provided in good faith, it is not intended to create any legal liability on the part of any other entity and does not vary the terms of a relevant disclosure statement. All dollars are Australian unless otherwise specified.