

# Weinberg Private Moderate Portfolio

## Investment Update

2020 has been a tale of two halves to date with Q2 performance being almost a complete reversal of the drawdown experienced in Q1. In Fixed Income, Government Bond returns were fairly muted for the quarter while Corporate Debt and Emerging Market Debt recovered strongly as confidence and liquidity returned to these segments. The Australian Dollar materially appreciated causing hedged returns to outperform unhedged. In Australian Shares, smaller cap stocks rallied strongly to significantly outperform large counterparts for the quarter.

Following weakened global growth as a result of the COVID-19 pandemic, central banks continued to provide accommodative monetary policy. The Reserve Bank of Australia (RBA) and US Federal Reserve retained their respective cash rates at 0.25% over the quarter to help support a struggling global economy.

Global Shares rallied in April and strengthened throughout May and June as volatility saw an overall decrease. Markets slowly reopened and were encouraged by increased fiscal stimuli and the overall decline in infection rates.

Despite recording a negative GDP growth and a rise in unemployment, the Australian market rallied over the quarter as restrictions were eased and the market was supported by a boost in retail trade in June. The outlook for Australia remains uncertain with Victoria's second wave of infections proving to have adverse effects, even at a federal level.

Bond yields increased modestly over the quarter as economies began to reopen and investor sentiment favoured riskier assets over safe-haven assets while the RBA continued to support the purchase of 3-year government bonds.

## Market Indicators

Market	End of Quarter Value	Quarter Change	12 Month Change
<b>Australian Shares</b>			
All Ordinaries Index	6,001.30	17.43%	-10.42%
S&P/ASX 200	5,897.90	16.17%	-10.89%
<b>Commodities</b>			
US\$ Gold Price	1,783.66	10.64%	26.29%
US\$ Iron Ore Price	101.50	20.83%	-12.88%
US\$ Oil Price – W Texas Crude	39.27	91.75%	-32.57%
<b>Exchange Rates</b>			
AUD / EUR	0.61	9.03%	-0.97%
AUD / GBP	0.56	11.59%	0.92%
AUD / JPY	73.94	10.61%	-2.12%
AUD / USD	0.69	11.14%	-2.14%
<b>Interest Rate</b>			
10 Year Bond Rate (%)	0.88	0.06%	-0.44%
Overnight Cash Rate (%)	0.25	0.00%	-1.00%
<b>Property</b>			
ASX 300 Property Index	1,204.39	18.57%	-24.13%
<b>Regional Shares</b>			
Dow Jones Industrials (US)	25,812.88	17.77%	-2.96%
FTSE 100 (UK)	6,169.74	8.78%	-16.91%
Hang Seng (Hong Kong)	24,427.19	3.49%	-14.42%
S&P 500 (US)	3,100.29	19.95%	5.39%
STOXX 50 (EUR)	360.34	12.58%	-6.37%
TOPIX (Japan)	1,558.77	11.10%	0.49%

## Portfolio Enhancements

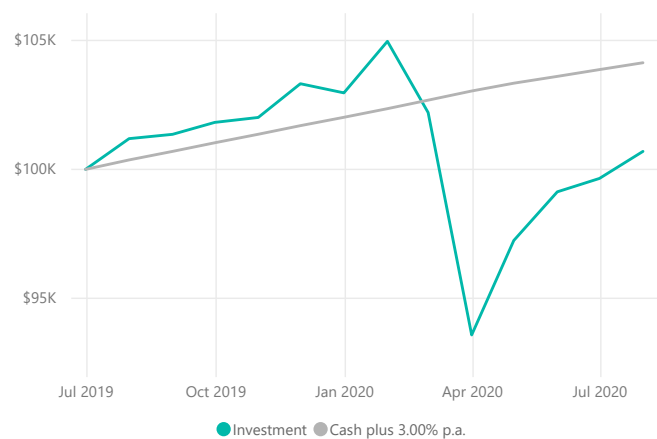
During the quarter, Winton Global Alpha Fund was replaced by the Aspect Diversified Futures Fund. It was observed that Winton has deviated away from its trend following core strategy which potentially compromises its downside protection attributes. By contrast, the Aspect Fund is more focused on trend following based strategies and as a result was determined to be a more suitable Fund within the portfolio's Alternatives asset class.

## Portfolio Statistics

### Returns (% p.a)

Name	1 Mth	3 Mths	6 Mths	1 Yr	Inception
Investment	0.52%	6.49%	-3.22%	-0.35%	-0.35%
Cash plus 3.00% p.a.	0.25%	0.81%	1.81%	3.87%	3.87%

### Growth of \$100,000



This chart displays the growth of a \$100,000 investment in the portfolio at its inception. This is measured against the portfolio's Cash Plus objective as represented by the Ausbond Australian Bank Bill Index (a proxy for short term domestic cash investment) as listed in the Appendix.

## Equity Holdings Dashboard

### Australian Equity Managers Aggregated Top 10 Equity Holdings

Holding	Weight	Country	Sector	Active Exposure
CSL (ASX:CSL)	6.24%	Australia	Healthcare	-1.59%
BHP Billiton (ASX:BHP)	5.41%	Australia	Basic Materials	-0.92%
Commonwealth Bank of Australia (ASX:CBA)	3.96%	Australia	Financials (ex Real Estate)	-3.41%
National Australia Bank (ASX:NAB)	3.27%	Australia	Financials (ex Real Estate)	-0.23%
Westpac Banking Corporation (ASX:WBC)	2.75%	Australia	Financials (ex Real Estate)	-1.13%
Woolworths Group Limited (ASX:WOW)	2.67%	Australia	Consumer Non-Cyclicals	-0.14%
Macquarie Group (ASX:MQG)	2.66%	Australia	Financials (ex Real Estate)	0.33%
Rio Tinto (ASX:RIO)	2.04%	Australia	Basic Materials	-0.15%
Goodman Group (ASX:GMG)	1.96%	Australia	Real Estate	0.52%
Telstra Corporation (ASX:TLS)	1.91%	Australia	Telecommunications Services	-0.32%



This table displays the aggregated top 10 stock holdings of the Australian Equity fund managers held in this portfolio together with the 1 year return of each stock and its sector. Please note, that the stock may not have been held for the entire year by the managers.

### Global Equity Managers Aggregated Top 10 Equity Holdings

Holding	Weight	Country	Sector	Active Exposure
MICROSOFT CORP.	3.15%	USA	Technology	-0.44%
FACEBOOK INCO.	1.79%	USA	Technology	0.45%
ALPHABET INCO.	1.77%	USA	Technology	-0.33%
ALIBABA GROUP HLDG.LTD.	1.66%	China	Technology	1.66%
APPLE INCO.	1.55%	USA	Technology	-2.34%
NETEASE INCO.	1.51%	China	Technology	1.51%
AMAZON.COM INCO.	1.39%	USA	Consumer Cyclical	-1.46%
TENCENT HOLDINGS LTD.	1.34%	China	Technology	1.34%
BRITISH AMER.TOB.PLC.	1.17%	UK	Consumer Non-Cyclical	1.17%
CROWN CASTLE INTL.CORP.	1.06%	USA	Real Estate	0.89%

This table displays the aggregated top 10 stock holdings of the International Equity fund managers held in this portfolio together with the 1 year return of each stock, its sector and the country it is listed in. Please note, that the stock may not have been held for the entire year by the managers.

### Regional Positioning Dashboard

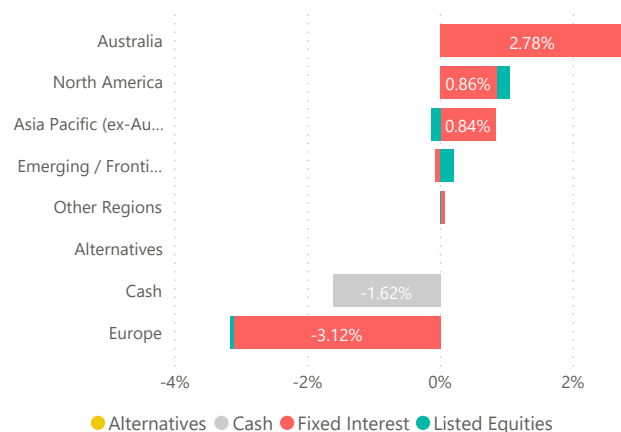
#### Aggregated Regional Holdings

Asset Type	Investment	Benchmark	Active Exposure
<b>Growth</b>	<b>47.82%</b>	<b>50.00%</b>	<b>-2.18%</b>
<b>Listed Equities</b>	<b>40.32%</b>	<b>46.00%</b>	<b>-5.68%</b>
Asia Pacific (ex-Australia)	2.38%	2.51%	-0.13%
Australia	19.56%	26.96%	-7.39%
Emerging / Frontier Markets	1.54%	0.02%	1.52%
Europe	5.25%	4.04%	1.21%
North America	11.55%	12.43%	-0.88%
Other Regions	0.03%	0.04%	-0.01%
<b>Alternatives</b>	<b>7.50%</b>	<b>4.00%</b>	<b>3.50%</b>
Alternatives	7.50%	4.00%	3.50%
<b>Defensive</b>	<b>52.18%</b>	<b>50.00%</b>	<b>2.18%</b>
<b>Fixed Interest</b>	<b>41.00%</b>	<b>33.96%</b>	<b>7.03%</b>
Asia Pacific (ex-Australia)	1.95%	1.62%	0.33%
Australia	26.59%	15.88%	10.71%
Emerging / Frontier Markets	1.43%	2.79%	-1.36%
Europe	5.36%	7.52%	-2.16%
North America	4.88%	4.92%	-0.04%
Other Regions	0.80%	1.24%	-0.44%
<b>Cash</b>	<b>11.19%</b>	<b>16.04%</b>	<b>-4.85%</b>
Cash	11.19%	16.04%	-4.85%
<b>Total Disclosed</b>	<b>100.00%</b>	<b>100.00%</b>	<b>0.00%</b>

This table displays the Aggregated Portfolio Exposures by Region at the end of the last calendar quarter end date. This is compared against the Benchmark regional exposures to find the ACTIVE DIFFERENCE between the Portfolio and Benchmark. A negative indicates an UNDERWEIGHT position relative to benchmark. a positive indicates an OVERWEIGHT position relative to benchmark.

At this point, with Alternatives and Multi Asset holdings we only display the quarterly change to these sectors in total. Cash holdings are typically held in domestic cash investments, therefore we do not break down this sector's exposure further by region.

### Change over Quarter by Region



This chart displays QUARTERLY changes in the REGIONAL Fixed Interest and Equity weightings based on the aggregated holdings of the managers held in this portfolio. At this point, with the Alternatives and Multi Asset holdings we only display the quarterly change to these sectors in total. Cash holdings are typically held in domestic cash investments, therefore we do not break down this sector's exposure further by region.

### Sector Positioning Dashboard

#### Aggregated Sector Holdings

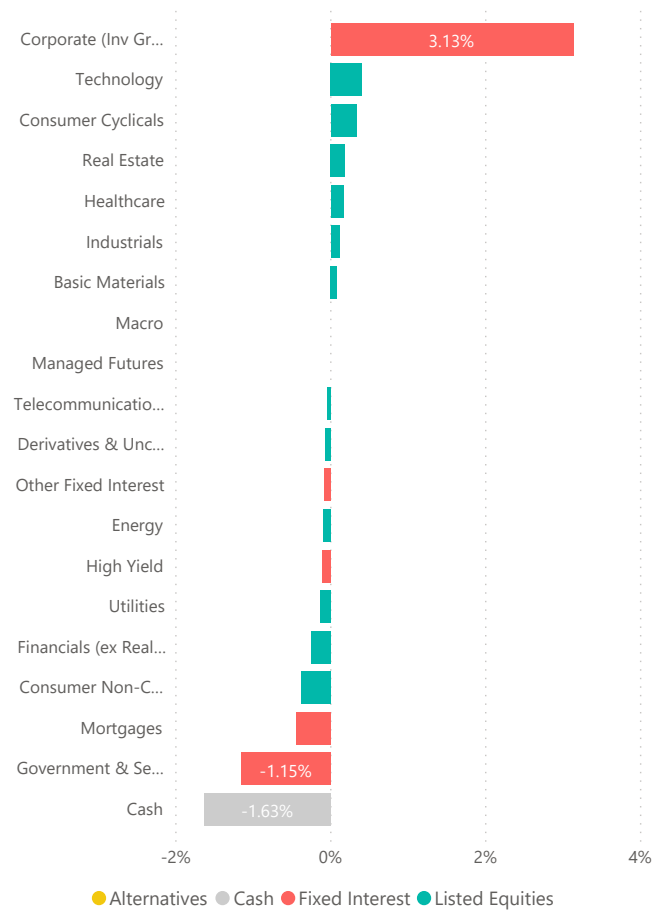
Asset Type	Investment	Benchmark	Active Exposure
<b>Growth</b>	<b>47.82%</b>	<b>50.00%</b>	<b>-2.18%</b>
<b>Listed Equities</b>	<b>40.32%</b>	<b>46.00%</b>	<b>-5.68%</b>
Utilities	2.01%	1.13%	0.87%
Telecommunications Services	0.90%	1.08%	-0.18%
Technology	5.92%	4.65%	1.27%
Real Estate	6.66%	7.65%	-1.00%
Industrials	3.72%	3.65%	0.07%
Healthcare	4.22%	5.18%	-0.96%
Financials (ex Real Estate)	5.45%	8.71%	-3.26%
Energy	1.13%	1.37%	-0.24%
Derivatives & Unclassified	0.03%	0.06%	-0.02%
Consumer Non-Cyclical	2.83%	2.92%	-0.09%
Consumer Cyclical	4.16%	3.82%	0.34%
Basic Materials	3.29%	5.79%	-2.49%
<b>Alternatives</b>	<b>7.50%</b>	<b>4.00%</b>	<b>3.50%</b>
Multi Strat / FoF / Event Driven		1.00%	-1.00%
Market Neutral		1.20%	-1.20%
Managed Futures	3.75%	0.36%	3.39%
Macro	3.75%	0.36%	3.39%
Fixed Interest / Relative Value		1.08%	-1.08%
<b>Defensive</b>	<b>52.18%</b>	<b>50.00%</b>	<b>2.18%</b>
<b>Fixed Interest</b>	<b>41.00%</b>	<b>33.96%</b>	<b>7.03%</b>
Other Fixed Interest	1.30%	1.79%	-0.49%
Mortgages	4.53%	4.26%	0.27%
High Yield	0.38%	0.71%	-0.33%
Government & Semi	12.22%	21.40%	-9.18%
<b>Total Disclosed</b>	<b>100.00%</b>	<b>100.00%</b>	<b>-0.00%</b>

Asset Type	Investment	Benchmark	Active Exposure
Corporate (Inv Grade)	22.56%	5.80%	16.76%
<b>Cash</b>	<b>11.19%</b>	<b>16.04%</b>	<b>-4.85%</b>
Cash	11.19%	16.04%	-4.85%
<b>Total Disclosed</b>	<b>100.00%</b>	<b>100.00%</b>	<b>-0.00%</b>

This table displays the Aggregated Portfolio Exposures by Sector at the end of the last calendar quarter end date. This is compared against the Benchmark regional exposures to find the ACTIVE DIFFERENCE between the Portfolio and Benchmark. A negative indicates an UNDERWEIGHT position relative to benchmark. a positive indicates an OVERWEIGHT position relative to benchmark.

At this point, with Alternatives and Multi Asset holdings we only display the quarterly change to these sectors in total. Cash holdings are typically held in domestic cash investments, therefore we do not break down this sector's exposure further by sector.

### Change over Quarter by Sector



This chart displays QUARTERLY changes in the SECTOR Fixed Interest and Equity weightings based on the aggregated holdings of the managers held in this portfolio. At this point, with the Alternatives and Multi Asset holdings we only display the quarterly change to these sectors in total. Cash holdings are typically held in domestic cash investments, therefore we do not break down this sector's exposure further by sector.

## Appendix - Benchmarks Used in this Report

### Cash

The benchmark for cash is the Bloomberg AusBond Bank Bill Index.

### Disclaimer

Third Party data may be sourced from Financial Express, Refinitiv, Bloomberg and/or MSCI.

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