

MONTHLY UPDATE

January 2024

CATHOLIC VALUES TRUST

Investment Objective

To provide a return (after fees and expenses) that exceeds CPI by 3% p.a. measured over a rolling 7-year period, and invest in accordance with the Catholic Values Policy.

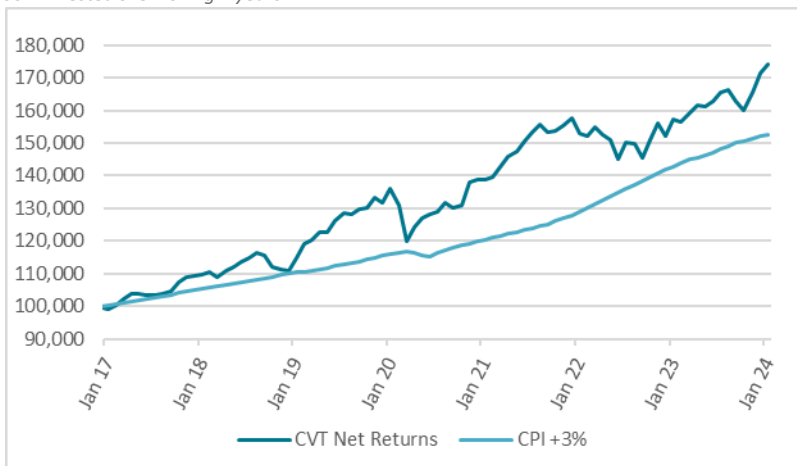
Performance

	Month	Quarter	FYTD	1 Year	3 Years	5 Years	7 Years
Catholic Values Trust (Gross of Fees) [^]	1.67	9.18	7.39	11.43	8.59	9.38	9.10
Catholic Values Trust (Net of Fees) [^]	1.61	9.00	6.98	10.73	7.89	8.68	8.40
Objective [^]	0.44	1.33	3.73	6.78	8.11	6.63	6.09

[^] Month, quarter and FYTD are holding period returns. 1 year, 3 year, 5-year, 7 year & since inception returns are annualised.

Rolling 7-year Fund Performance vs Objective

\$100K invested over rolling 7 years



Catholic Values Trust returned 1.61% net of fees for the month of January. The Fund has outperformed its objective over a rolling 7-year period.

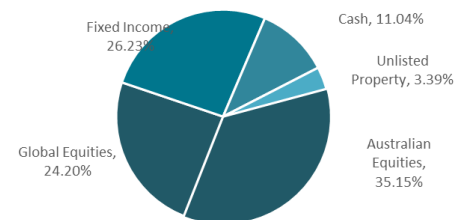
Key Contributors

- ◆ **Australian Equities** returned 0.89% in January. Local market sentiment was supported by softer inflation data and weaker economic data that bolstered the case for the RBA to begin easing. The Financial sector had strong performances on the back of optimism around softer inflation and rate cut expectations. Oil prices rose on escalating tensions in the Middle East, which supported the energy sector.
- ◆ **Global equities** returned 4.62% in January. Moves in global markets were largely driven by hopes of a soft landing and some strong US corporate earnings results. The AUD depreciated 3.58% against the USD over the month, adding to the unhedged return.
- ◆ **Fixed Income** returned 0.36% in January, largely from accrued interests.
- ◆ **Property** returned 2.26% in January. Assets in the QIC Core Plus fund saw favourable net valuation movements in Q4 2023.

Portfolio Statistics

Funds Under Management	127 Million
Performance Return Since Inception net of fees (Jan 31, 2002) [^]	6.97%
Distribution Frequency	Half Yearly

Asset Allocation



Market Highlights

- ◆ **Australian equities** (S&P/ASX100) finished the month 1.13% higher. Headline inflation eased more than expected to 4.1% on an annual basis in December. Goods and services inflation continued to ease, while price rises in housing, insurance, and electricity remain strong. Retail sales fell 2.7% in the month of December as consumers brought forward their holiday shopping to take advantage of sales in November. The early sales period also affected employment data, where 65k jobs were lost from the economy in December, as employers brought forward hiring for the busy sales period. The unemployment rate held steady at 3.9%.
- ◆ **Global equities** (MSCI World ex-Australia \$A Unhedged) finished the month 4.52% higher. US Headline CPI rose 3.4% on an annual basis in December, hotter than expected, driven largely by rising shelter costs. Other indicators showed ongoing resilience in the US economy with GDP growing 3.3% on an annual basis in Q423, stronger than expected consumer spending, and more jobs added to the economy than expected.
- ◆ **Fixed Income**, as measured by the Bloomberg AusBond Composite 3-5 Yr Index finished the month 0.41% higher. The yield curve steepened with the 10-year Australian government bond rising 6bps and 3-year falling 4bps. The softer inflation and retail sales data supported a bond rally towards the end of the month.

INCOME TRUST

Investment Objective

To provide investors with a quarterly income distribution and potential for capital growth by outperforming the Bloomberg AusBond Bank Bill Index by 1% p.a. (net of fees) over rolling 3-year periods.

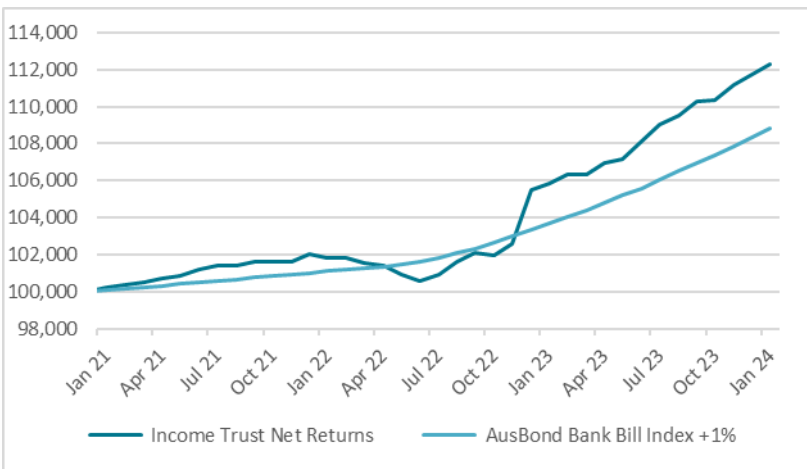
Performance

	Month	Quarter	FYTD	1 Year	3 Years
Income Trust (Gross of Fees)^	0.54	1.90	4.22	6.74	4.51
Income Trust (Net of Fees)^	0.48	1.74	3.84	6.09	3.86
Objective^	0.45	1.34	3.11	4.93	2.82

^ Month, quarter and FYTD are holding period returns. 1 year & 3 year returns are annualised.

Rolling 3-Year Fund Performance vs Objective

\$100K invested over rolling 3 years

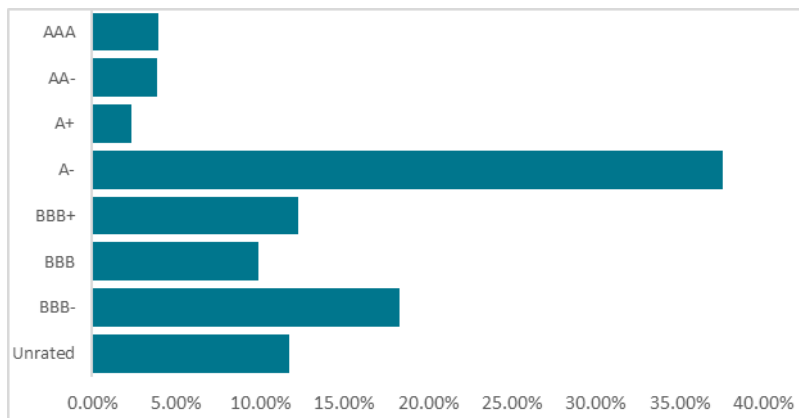


The Income Trust returned 0.48% net of fees for the month of January. The Fund has outperformed its objective over a rolling 3-year period.

Key Contributors

- ◆ **Fixed Interest** returned 0.49% largely from accrued interests.
- ◆ **Hybrids** returned 0.49% from a narrowing of hybrid spreads.

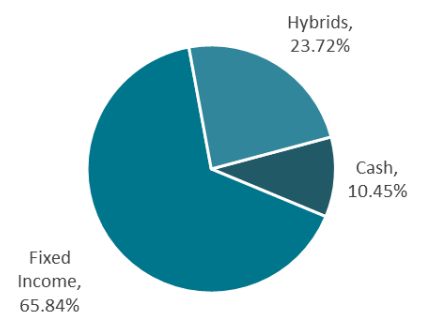
Credit Rating Allocation



Portfolio Statistics

Funds Under Management	28 Million
Performance Return Since Inception net of fees (July 31, 2004)^	4.03%
Distribution Frequency	Quarterly
Yield to Maturity	5.31%
Average Credit Rating	BBB+

Asset Allocation



Market Highlights

- ◆ **Fixed Income:** Floating Rate credit finished the month 0.44% higher. Australian floating rate note spreads narrowed by 2bps over the month. New issues from Westpac and ANZ were met with strong demand from investors.
- ◆ **Cash:** There was no RBA meeting in January. The three-month bank bill yield fell 1bps, finishing the month at 4.34%.
- ◆ **Hybrids (Major Banks)** gained 0.51% overall during January. Average major bank hybrid margins narrowed by 10bps.

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How to Contact Us

Telephone 1300 655 220

Facsimile 03 9934 3464

Mail CCI Asset Management
GPO Box 180 Melbourne 3001

Website www.cciassetmanagement.org.au

William Manuel
Head of Asset Management

Email info@cciassetmanagement.org.au

Telephone 03 9934 3073

Mobile 0409 275 751