

MONTHLY UPDATE

APRIL 2021



CATHOLIC VALUES TRUST

Performance

	Month	Quarter	FYTD	1 Year	3 Years	5 Years
Catholic Values Trust (Gross of Fees)^	2.23	5.16	14.16	18.03	10.21	10.14
Catholic Values Trust (Net of Fees)^	2.17	4.98	13.58	17.33	9.51	9.44
Objective*	0.45	1.34	5.76	4.96	4.57	4.75

^All yearly returns are annualised

*Objective is CPI + 3% p.a. rolling 3 & 5 years

Investment Objective

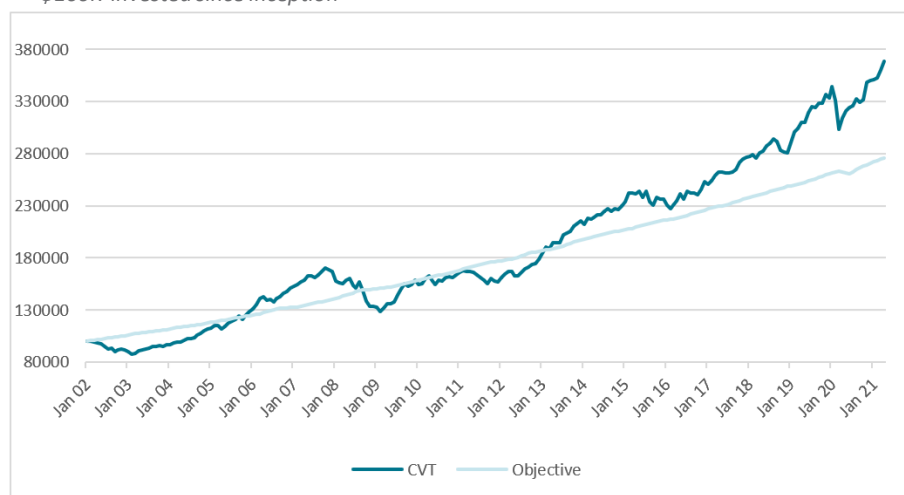
To provide a return (after fees and expenses) that exceeds CPI by 3% p.a. measured over rolling 3-year and 5-year periods, and invest in accordance with the Catholic Values Investment Policy.

Fund Performance

Catholic Values Trust returned a positive return of 2.17% net of fees for the month of April. The Fund has outperformed its objective over rolling 3-year and 5-year periods.

Performance Chart

\$100K invested since inception



Largest Contributors

- ◆ Australian equities - The market was led higher by particularly strong gains in Materials driven by rising commodity prices, followed by Financials and Information Technology (IT).
- ◆ Global Equities – was largely driven by the US with good economic activity data, strong earnings and continued fiscal stimulus.

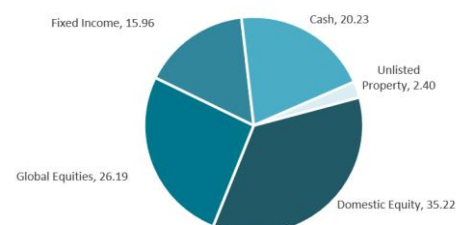
Largest Detractors

- ◆ Cash was the key detractor to the portfolio, adding almost nil return over the month with interest rates likely to remain low for some time.

Portfolio Statistics

Funds Under Management	\$171 million
Performance Return Since Inception net of fees (Jan 31, 2002)^	7.01% p.a.
Distribution Frequency	Half Yearly

Asset Allocation



Market Highlights

- ◆ Both the global equity markets and Australian equity markets closed the month with positive returns of 3.2% and 3.5% respectively.
- ◆ Optimism about reopening of economies now and in the months ahead, reasonable progress with the vaccine rollout, extra US stimulus, ongoing earnings growth and a pause in the rebound in bond yields drove markets in April.
- ◆ US inflation surged in April by a lot more than expected, 4.2% year on year, raising concerns that rising inflationary pressures will force bond yields higher, and pull equity prices lower.
- ◆ Both the US Fed and RBA remain patient and committed to not raise rates until they see significant gains in employment and inflation targets reached.

INCOME TRUST

Performance

	Month	Quarter	FYTD	1 Year	3 Years	5 Years
Income Trust (Gross of Fees)^	0.26	0.65	3.17	4.25	4.61	5.99
Income Trust (Net of Fees)^	0.21	0.49	2.63	3.60	3.96	5.34
Objective*	0.09	0.25	0.88	1.06	2.06	2.36

^All yearly returns are annualised

*Objective is AusBond Bank Bill + 1.0% (net of fees) p.a. rolling 3 years

Investment Objective

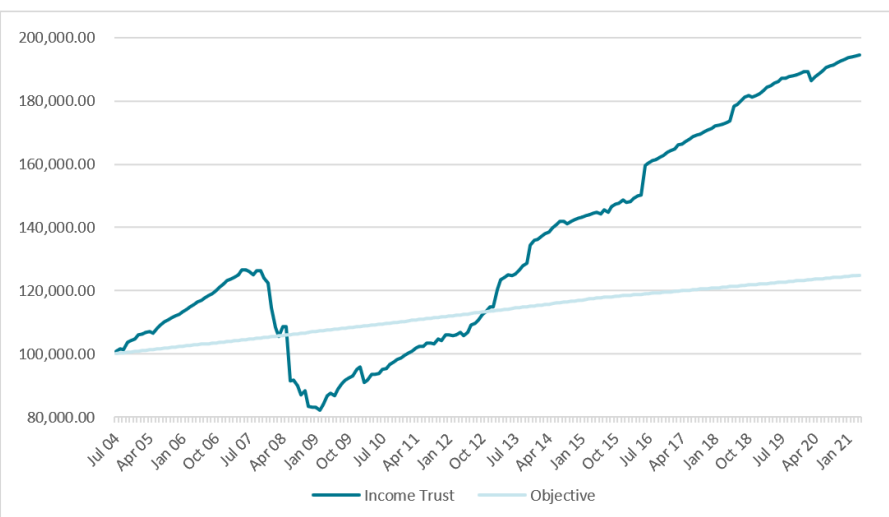
To provide investors with a quarterly income distribution and potential for capital growth by outperforming the 90-day bank bill index by 1.0% over rolling 3-year periods.

Fund Performance

The Income Trust returned a small positive return of 0.21% net of fees for the month of April. The Fund has outperformed its objective over a rolling 3-year period.

Performance Chart

\$100K invested since inception



Portfolio Review

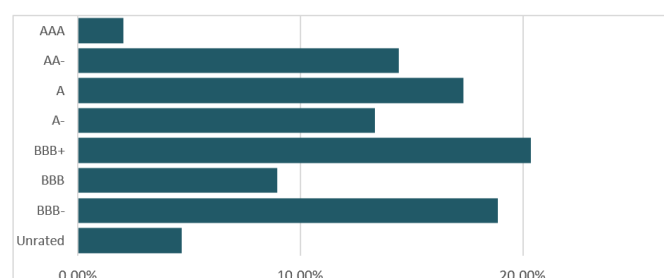
Key Contributors

- Hybrids contributed the most to returns even with median traded margins decreasing by 20bps from the previous month
- The overweight allocation to floating rate notes also contributed, as credit spreads tightening by around 3 bps over April. Going forward, we expect the income of these securities to increase to reflect the market's expectations of higher interest rates

Key Detractors

- Cash was the key detractor to the portfolio, adding almost nil return over the month with interest rates likely to remain low for some time.

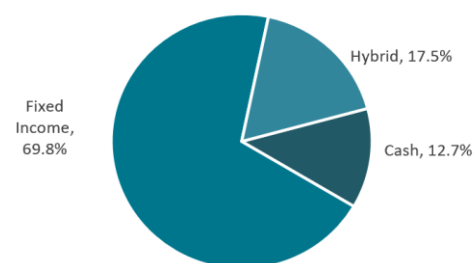
Credit Rating Allocation



Portfolio Statistics

Funds Under Management	\$57.3 million
Performance Return Since Inception net of fees (Dec 31, 2000)^	4.03% p.a.
Distribution Frequency	Quarterly
Yield to Maturity	1.35%
Average Credit Rating	BBB+

Asset Allocation



Market Highlights

- Australian longer-dated bond yields ended the month with a yield of 1.75%, with a marginal decrease of around 3 bps over the month.
- There was a tightening of credit spreads seen across most sectors during the month adding to the returns of credit exposures.
- US inflation surged in April by a lot more than expected, 4.2% year on year, raising concerns that rising inflationary pressures will force bond yields higher, and drag equity prices lower.
- The RBA remains patient and committed to not raise rates until they see real wages growth with significant gains in employment and a return to a tight labour market for inflation to get back up to 2-3% range.

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