

MONTHLY UPDATE

November 2023

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.

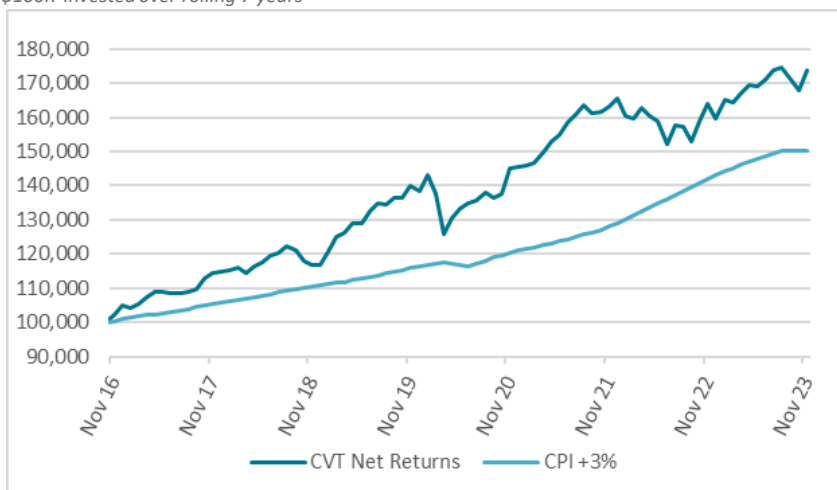
Performance

	Month	Quarter	FYTD	1 Year	3 Years	5 Years	7 Years
Catholic Values Trust (Gross of Fees) [^]	3.64	-0.14	1.95	6.85	6.97	8.97	8.60
Catholic Values Trust (Net of Fees) [^]	3.58	-0.32	1.65	6.15	6.27	8.27	7.90
Objective [^]	0.64	1.94	3.24	7.91	8.28	6.67	6.15

[^] 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 3.58% net of fees for the month of November. The Fund has outperformed its objective over a rolling 7-year period.

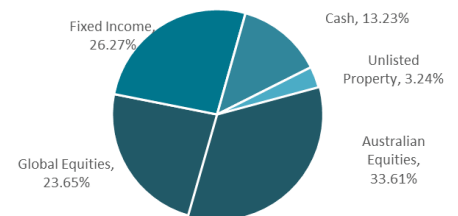
Key Contributors

- ◆ **Australian Equities** returned 5.17% in November. Local market sentiment was supported by softer inflation data and expectations for central banks to begin rate cuts next year. The interest rate sensitive sectors of Real Estate and Information Technology were the best performers. While the energy sector lagged on the back of falling oil prices despite OPEC agreeing to production cuts.
- ◆ **Global equities** returned 5.33% in November. Moves in global markets were largely driven by positive inflation data and lower bond yields. The AUD appreciated 4.23% against the USD over the month as expected rate cuts put downward pressure on the USD.
- ◆ **Fixed Income** returned 2.24% in November as the market value of fixed rate bonds in the portfolio benefited from lower bond yields.
- ◆ **Property** returned -0.60% in November largely due to negative net valuation movements during the prior quarter.

Portfolio Statistics

Funds Under Management	131 Million
Performance Return Since Inception net of fees (Jan 31, 2002) [^]	6.78%
Distribution Frequency	Half Yearly

Asset Allocation



Market Highlights

◆ **Australian equities** (S&P/ASX100) finished the month 4.83% higher. The RBA raised the cash rate by 25bps to 4.35%. Headline CPI eased more than expected to 4.9% in October, however, services inflation remains high. Retail sales fell 0.2% mom in October, with expectations that consumers were saving up for Black Friday sales in November. The jobs market showed signs of softening with 55k new jobs added, the unemployment rate remaining steady at 3.7%, and the growth in hours worked slowing down.

◆ **Global equities** (MSCI World ex-Australia \$A Unhedged) finished the month 4.43% higher. Markets rallied on hopes of a soft landing for the economy on the back of softer inflation data and expected Fed rate cuts in 2024. US headline inflation eased more than expected to 3.2% in October, driven largely by falling energy prices and a slower increase to shelter costs. The jobs market also showed signs of softening, with less jobs added than expected and the unemployment rate ticking up to 3.9%.

◆ **Fixed Income**, as measured by the Bloomberg AusBond Composite 3-5 Yr Index finished the month 2.05% higher. Yields moved lower with the 10-year Australian government bond falling 51bps and 3-year falling 39bps, as markets turned around and began pricing in rate cuts in 2024.

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.

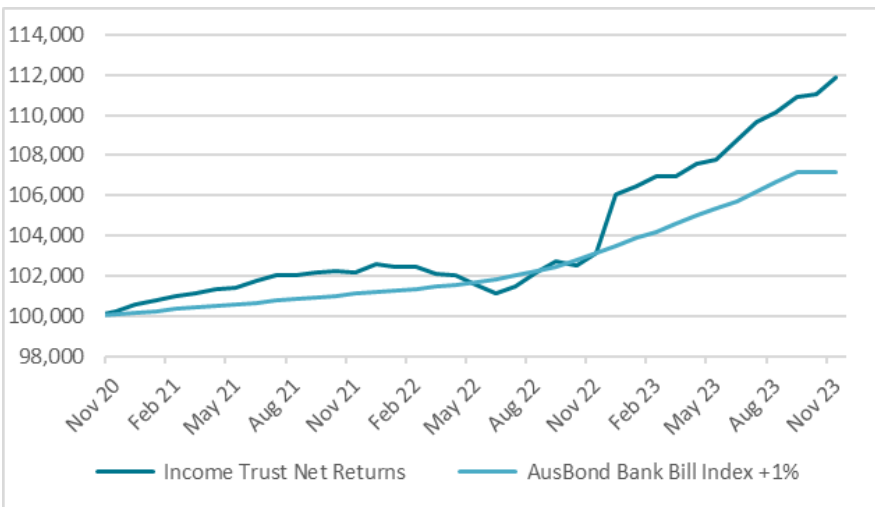
Performance

	Month	Quarter	FYTD	1 Year	3 Years
Income Trust (Gross of Fees)^	0.80	1.71	3.09	9.09	4.36
Income Trust (Net of Fees)^	0.74	1.54	2.82	8.44	3.71
Objective^	0.42	1.29	1.75	4.61	2.46

^ 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

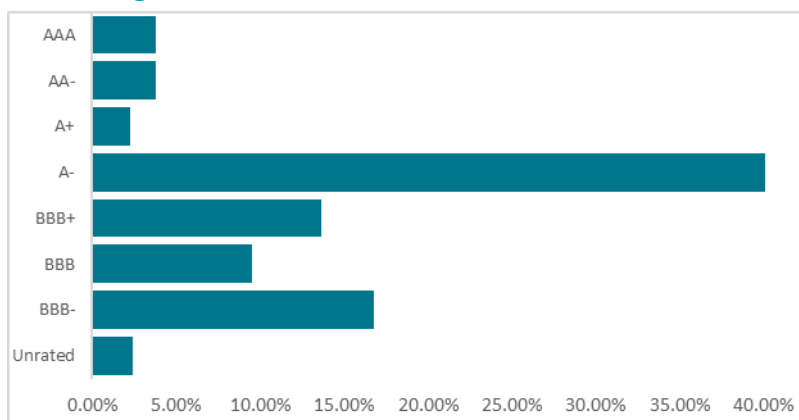


The Income Trust returned 0.74% net of fees for the month of November. The Fund has outperformed its objective over a rolling 3-year period.

Key Contributors

- ◆ **Fixed Interest** returned 0.63%, largely from accrued interests.
- ◆ **Hybrids** returned 1.20% as hybrid spreads narrowed throughout the month.

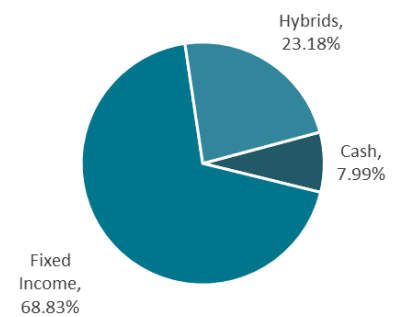
Credit Rating Allocation



Portfolio Statistics

Funds Under Management	29 Million
Performance Return Since Inception net of fees (July 31, 2004)^	4.00%
Distribution Frequency	Quarterly
Yield to Maturity	5.86%
Average Credit Rating	A-

Asset Allocation



Market Highlights

- ◆ **Fixed Income:** Floating Rate credit finished the month 0.45% higher. Australian floating rate note spreads widened by 6bps over the month. New issues from CBA and WBC were met with strong demand during the month.
- ◆ **Cash:** The Reserve Bank of Australia (RBA) raised the cash rate by 25bps to 4.35% in November as expected. The board upgraded its short-term inflation forecasts and noted they would be willing to raise the cash rate again should future economic data come in stronger than expected. Minutes from the meeting also revealed concerns that businesses were passing on higher inflation costs to consumers, so a rate rise was deemed necessary to dampen inflation expectations. The three-month bank bill yield rose 17bps, finishing the month at 4.37%.
- ◆ **Hybrids** rose in November as the average major bank hybrid margin narrowed by 20bps.

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