

Net Portfolio Returns (to end January 2023)

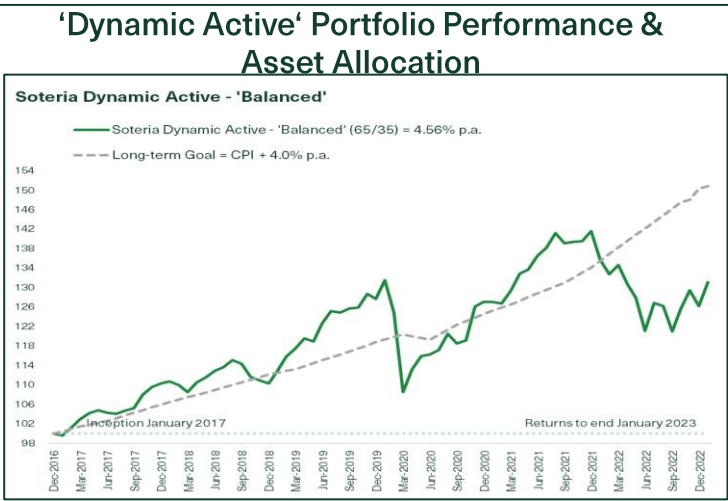
Portfolio	Total Returns (net)				Since Inception (p.a.)	Inception Date
	1 Month	3 Months	1 Year	3 Years (p.a.)		
Soteria Dynamic Active <b>Balanced</b>	3.88%	4.45%	-3.32%	-0.10%	4.56%	01/01/2017
Soteria Dynamic Index <b>Balanced</b>	4.04%	4.67%	-1.06%	0.91%	3.92%	01/10/2018

Market Commentary:

January was a good month for share markets, more than regaining the ground lost in December. Bond markets also did well in January, more than recovering their declines in December. This is because bond yields fell back in January after rising in December. This raises a quandary – rising share markets pointing to good times ahead, but declining bond yields pointing to rate cuts and likely recessions. Unless inflation magically falls back below target and stays there of its own accord, central banks would not be able to cut interest rates this year unless there are sharp recessions, which would probably result in big cuts to profits and dividends. But share markets are assuming the opposite. Throughout the coming year much of the focus will be on the relationships between inflation, interest rates, bond yields and share markets, as this is going to be the dominant theme affecting all global markets in 2023.

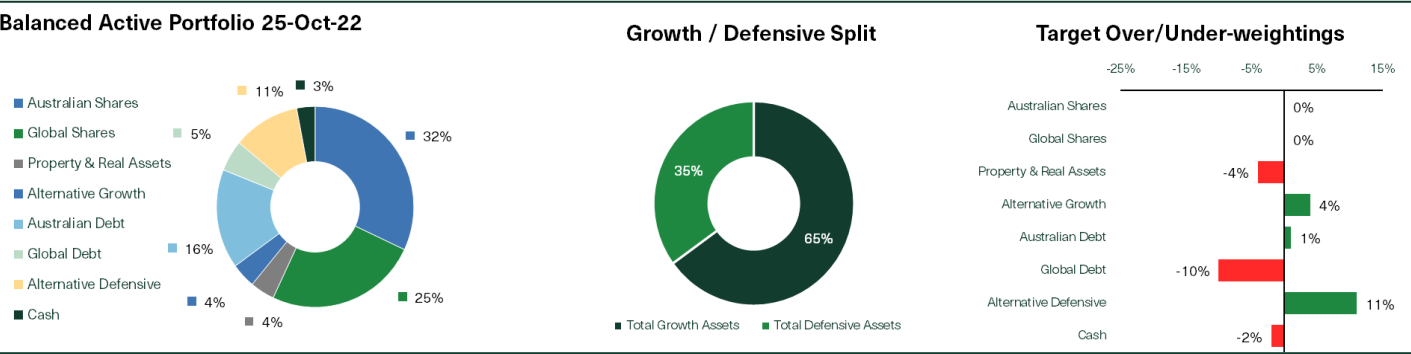
From early October, the ‘market’ (ie investors) started to see US inflation easing, and sensed the Fed would soon ‘pivot’ toward less aggressive rate hikes. After a string of hikes of +0.75% each, the Fed did slow rate hikes to +0.5% on 15 December, and +0.25% on 1 February. The European Central Bank and Bank of England also made further hikes at the start of February. On 7 February, Australia’s RBA made its 9th rate hike, raising rates by +0.25% to 3.35%. The RBA started late, and still has a lower cash rate but higher inflation than the US.

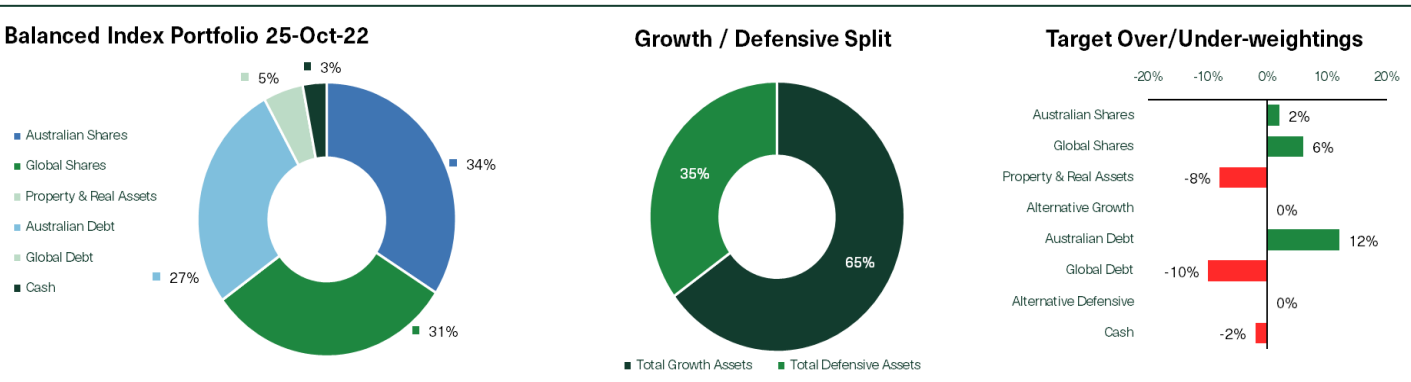
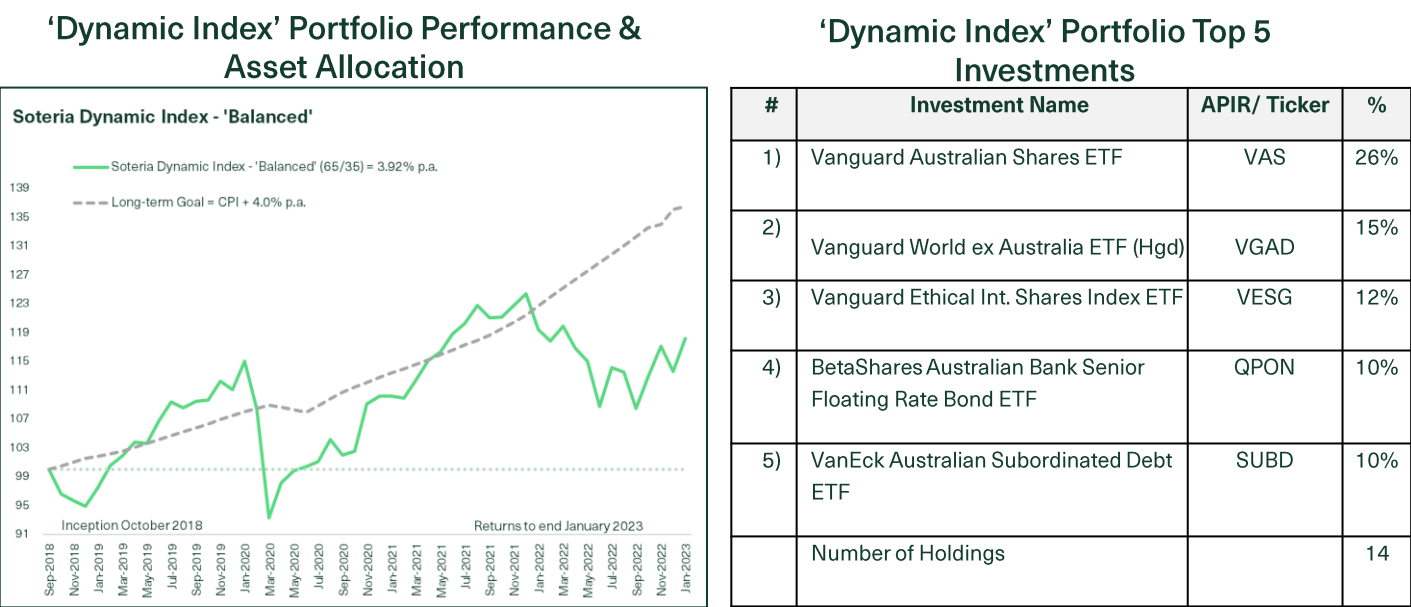
The other main factor is unemployment. Thus far, jobs markets have remained very strong – due to a combination of factors, including border closures and strong spending still from Covid payments built up in bank accounts. However, borders are re-opening and spending is slowing with Covid payments running out, and rate hikes starting to bite.



‘Dynamic Active’ Portfolio Top 5 Investments

#	Investment Name	APIR/ Ticker	%
1)	Vanguard Australian Shares ETF	VAS	9%
2)	Vanguard Ethical Int. Shares Index ETF (Hgd)	VAN0848AU	8%
3)	Fidelity Australian Equities Fund	FID0008AU	5%
4)	Perpetual Diversified Income Fund	PER0260AU	5%
5)	Janus Henderson Tactical Income Fund	IOF0145AU	5%
Number of Holdings			26





Portfolio Overview

The Soteria Balanced Portfolios invest in a diversified mix of asset classes using a range of carefully selected, best in class, managed funds and exchange traded funds. The weights of assets and asset classes are reviewed and adjusted regularly within specific ranges based on relative valuation, return outlooks and likely risks. The Soteria Balanced Portfolios are managed with a focus on downside protection and an aim to achieve significant real growth ahead of inflation for investors who can tolerate some variations in income and capital values along the way.

Portfolio Manager – Ashley Owen, CFA

Benchmark

Long Term Returns Target

CPI + 4.0%

Active Portfolio Fees\*

Model Fee

0.275% p.a.

Portfolio MER After Rebates

0.47% p.a.

Index Portfolio Fees\*

Model Fee

0.220% p.a.

Portfolio MER After Rebates

0.24% p.a.

Platform APIR Codes	Soteria Dynamic Active Balanced	Soteria Dynamic Index Balanced
Netwealth	MACC000071	MACC000167
BT Panorama	WFS6110AU	n/a
Macquarie Wrap	SMASTB01S	n/a

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\*The fees mentioned do not include platform fees, responsible entity investment management fees, fund performance fees, transaction costs or buy-sell spreads which may apply.