

Quarterly update for Month ending March 2024

Investment objective

Aims to deliver an investment return of 3.5% p.a. above inflation over rolling 5 year periods.

Key information

Code	NTH1021
Manager name	Quilla
Inception date	30 June 2019
Benchmark	Consumer Price Index (CPI) Trimmed Mean + 3.5%
Asset class	Diversified
Number of underlying assets	21
Minimum investment horizon	5 years
Portfolio income	Default - Paid to Platform Cash
Management fees and costs	'0.94%
Performance fee	'0.22%
Estimated net transaction costs	'0.12%
Estimated buy/sell spread	'0.12%/0.12%
Risk band/label	4/Medium
Minimum investment amount	\$500

About the manager

Quilla

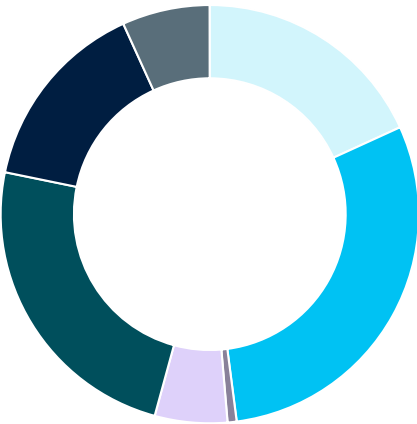
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Returns








as at 31 March 2024

	Since inception*	1 Month (%)	3 Months (%)	6 Months (%)	1 Year (%)	3 Years (%)	5 Years (%)
Total return ¹	5.04	1.52	3.63	8.14	8.80	5.75	-
Income	3.64	0.06	0.67	1.52	4.07	3.69	-
Growth	1.40	1.46	2.96	6.62	4.73	2.06	-
Benchmark ²	6.94	0.64	1.90	3.85	8.50	8.13	-

Asset allocation



as at 31 March 2024

Growth assets		Allocation (%)
	Australian Equities	18.2
	International Equities	29.8
	Property	0.7
	Other	5.6
Total		54.3%
Defensive assets		Allocation (%)
	Australian Fixed Interest	24.0
	International Fixed Interest	15.0
	Cash	6.8
Total		45.8%

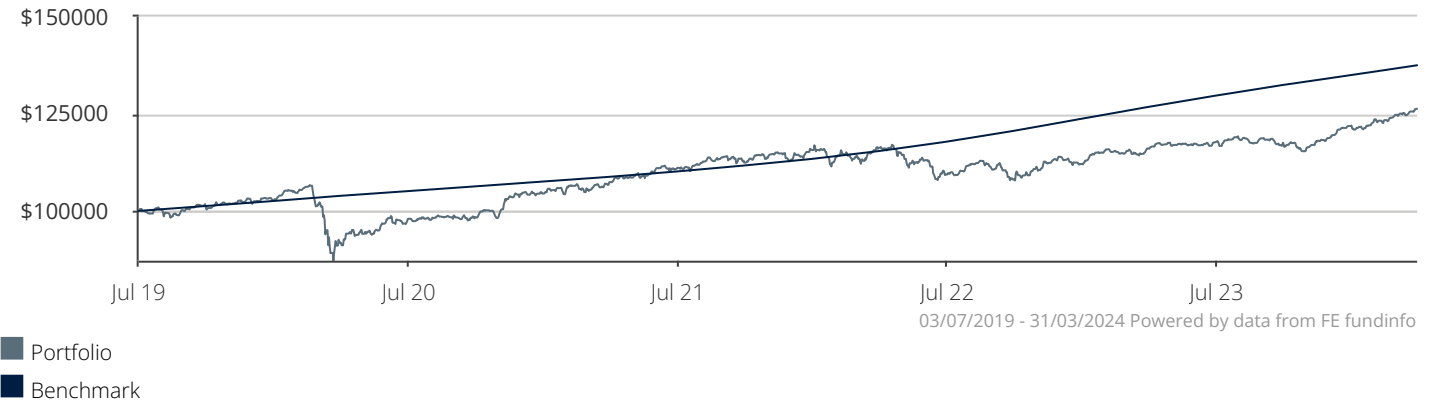
Asset allocation data sourced via Morningstar® from the underlying fund manager.

1 The managed portfolio performance represents total return for the periods. Returns have been calculated using the time-weighted method, they assume distributions are reinvested and are after investment management fees and indirect costs. Total and growth returns include accrued distributions, while income return includes paid distributions only. Returns do not take into account tax payable. Individual client returns may vary based on the contributions, withdrawals, and timing differences within the managed portfolio

2 Benchmark is based on the Consumer Price Index (CPI) published by the Australian Bureau of Statistics (ABS) as of the current reporting period.

Performance history

\$100,000 invested since 03/07/2019



Managed portfolio holdings³

Holding	Asset class	Allocation (%)
Alexander Credit Income Fund	Australian Fixed Interest	15.1
Global X US Treasury Bond Etf (Currency Hedged). Global X US Treasury	International Fixed Interest	13.8
MyNorth Australian Fixed Interest Index	Australian Fixed Interest	11.5
MyNorth International Equity Index Hedged	International Equities	8.9
Australian Eagle Trust	Australian Equities	7.4
DNR Capital Australian Equities High Conviction Fund - W-Class	Australian Equities	7.4
Fisher Investments Australasia Global Equity Focused Fund - Z Class	International Equities	7.0
Dexus Core Infrastructure Fund	Other	4.3
Betashares Australia 200 Etf Betashares Australia 200 Etf	Australian Equities	4.0
CC Sage Capital Absolute Return Fund	Cash	4.0
Ishares China Large-Cap Etf Ishares China Large-Cap Etf	International Equities	3.6
PIMCO Trends Managed Futures Strategy Fund	Other	3.0
GuardCap Global Equity Managed Fund	International Equities	3.0
Lazard Global Equity Franchise Fund - Class S	International Equities	3.0
Fairlight Global Small & Mid Cap Fund - Class I	International Equities	3.0
Cash Account	Cash	1.0

Quarterly manager commentary

Market Update

Global markets began the year strongly with the MSCI World Index (USD) gaining 9% in the first quarter as investor confidence remained high, as expectations grew that the global economy was set for a soft landing. Economic data releases showed that economic growth had been resilient and strong enough to indicate that a recession would likely be avoided. The inflation outlook has consistently been a major focal point for both Australian and global financial markets. Coming into the quarter the disinflation trend continued, supporting the outlook that the US Federal Reserve (FED) would begin its interest rate easing cycle with market expectations pricing in approximately five interest rate cuts during the course of 2024.

As the quarter progressed both the inflation and interest rate outlooks became less clear as inflation data showed that inflation was proving stickier than was expected and that achieving central bank targets would be more difficult than anticipated. This coupled with robust jobs markets, particularly in the US, meant that the market expectations of interest rate cuts needed to be recalibrated with the degree and timing of interest rate easing being moderated.

The Reserve Bank of Australia (RBA) held rates unchanged during the quarter at 4.35%. However, while Governor Bullock remained steadfast on the need for more data to ensure inflation was heading to the target range, the language used indicated that there was no longer a tightening bias. The Fed in contrast provided less ambiguity and Fed Chair, Jerome Powell reiterated the outlook for three interest rate cuts this year easing market concerns that rate cuts might be pushed out further.

Given the variability of economic announcements and the adjustments to rate expectations the US 10-year bond yield gained 34 basis points for the quarter ending at 4.21%. In contrast the Australian 10-year bond closed the quarter stronger with yields falling 19 basis points to 4%.

Global equity markets performed well despite the moderating of interest rate expectations. Australian earnings season helped lift equity markets with the All Ordinaries gaining 5.5% in the quarter as local earnings releases provided a better than expected picture of Australian corporate earnings. The Small Ordinaries Index gained 7.7% and the S&P/ASX 300 A-REITS Index gained 16.2% both showing accelerating gains into the quarter end.

The US earnings season also provided a strong underpin to equities as 76% of S&P500 companies exceeded earnings estimates. Particularly noteworthy were the results from artificial intelligence (AI) market leader, Nvidia, which beat market expectations while also raising forward guidance helping drive the S&P500 (USD) up by 10.6% for the quarter.

Portfolio Update

The portfolio delivered a return of 3.63% over the past quarter.

The top asset class contributors to total return this quarter were Global Equities and Australian Equities. Global and Australian fixed income holdings were the principal detractors.

At a security/Fund level, Vanguard International Share Index Fund (Hedged), MyNorth International Shares Index (Hedged) and Fisher Global Equity Focused Fund were the largest positive contributors, while fixed income exposure to the Global X US Treasury Bond (Currency Hedged) ETF and Vanguard Australian Government Bond Index Fund were the main detractors.

Portfolio changes during the quarter:

During the quarter a select number of changes were made.

The Vanguard Australian Government Bond Index Fund was replaced with MyNorth Australian Fixed Interest Fund to take advantage of an attractive fee in a vehicle that is similar to Vanguard Government Bond in terms of composition.

On the equity allocation front the Allan Gray Australian Equity Fund was redeemed in favour of strategies that are less economically sensitive to an expected downturn. The Vanguard Australian Shares Index Fund was replaced with BetaShares Australia 200 ETF to reduce fees. In the same vein the Vanguard International Share Index Fund was replaced with the MyNorth International Share Index Fund (Hedged).

The Janus Henderson Global Natural Resources Fund was removed in the interest of managing risks. The backdrop for commodities remains uncertain and volatile. The Fisher Global Equity Focused Fund was entered into as their core, macro-driven, top-down approach has adeptly steered through the choppy waters of the economic landscape thus far. We remain highly confident that the Fund's strategic direction will persist in playing a significant and valuable role within the portfolio.

In order to take advantage of a tactical and opportunistic trade in China Large Caps which are trading at attractive valuations, a new position in the iShares China Large-Cap ETF was taken.

Market Outlook

Central bank policy meetings have been the predominant driver of global market sentiment. This is set to continue as investors digest key economic data releases along with central bank pronouncements and actions in the coming months.

Recent economic news and trends suggests a potentially favourable "Goldilocks" scenario, where growth shows signs of stability, inflation is trending lower, and central banks are signalling potential interest rate reductions later in the year. This positive outlook is supportive of risk assets, and any potential corrections are likely to be mild because of this optimistic sentiment.

The growing breadth of market performances is also a positive indicator, as a wider set of companies across the size spectrum participate in a more broad-based market rally.

Still, sentiment indicators remain elevated, potentially adding to the risks of disappointments in the short-term, with particularly heightened risks should it become more evident that central banks will push rate cuts further into the future. In this environment a balanced approach to both portfolio growth and risk is recommended.

3 A significant percentage of assets comprising this portfolio are only available through the managed portfolios and therefore can't be transferred out of the MyNorth Managed Portfolio Scheme. For more information relating to restrictions that may apply to asset transfers, refer to the 'Transferring assets in and out of your Portfolio' in Part 1 of the MyNorth Managed Portfolios PDS.

Important Information

NMMT Limited (ABN 42 058 835 573 AFS License 234653), is the responsible entity of MyNorth Managed Portfolios (ARSN 624 544 136) (Scheme). To invest in the Scheme, investors will need to obtain the current Product Disclosure Statement (PDS) which is available at northonline.com.au. The PDS contains important information about investing in the Scheme and it is important investors consider their circumstances and read the PDS before making a decision about whether to acquire, continue to hold or dispose of interests in the Scheme. This quantitative report has been prepared for the purpose of providing general information, without taking account of any particular investor's objectives, financial situation or needs. Although the information is from sources considered reliable, AMP doesn't guarantee that it's accurate or complete. You shouldn't rely upon it and should seek professional advice before making any financial decision. Except where liability under any statute can't be excluded, AMP doesn't accept any liability for any resulting loss or damage to the reader or any other person. MyNorth Managed Portfolios are not sponsored, endorsed, sold or promoted by Morningstar, Inc. or any of its affiliates (all such entities, collectively, "Morningstar Entities"). The Morningstar Entities make no representation or warranties regarding the advisability of investing in managed portfolios generally or in the MyNorth Managed Portfolios in particular, or the ability of the Morningstar Benchmarks to accurately represent the asset class or market sector that it purports to represent. The Morningstar Entities and their third party licensors do not guarantee the accuracy and/or the completeness of the Morningstar Benchmarks, and the Morningstar Entities and their third party licensors shall have no liability for any errors, omissions, or interruptions included therein. The S&P/ASX 20 TR Index, S&P/ASX 200 TR Index, S&P/ASX 200 A-REIT TR Index, S&P/ASX 200 Industrials TR Index, S&P/ASX 300 TR Index, S&P/ASX 300 TR Index excluding S&P/ASX 20 TR Index, S&P/ASX Small Ordinaries TR Index, S&P/ASX 100 TR Index ("Index") is a product of S&P Dow Jones Indices LLC, its affiliates and/or their licensors and has been licensed for use by NMMT Limited. Copyright © 2021 S&P Dow Jones Indices LLC, its affiliates and/or their licensors. All rights reserved. Redistribution or reproduction in whole or in part are prohibited without written permission of S&P Dow Jones Indices LLC. For more information on any of S&P Dow Jones Indices LLC's indices please visit www.spdji.com. S&P® is a registered trademark of Standard & Poor's Financial Services LLC and Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC. Neither S&P Dow Jones Indices LLC, Dow Jones Trademark Holdings LLC, their affiliates nor their third party licensors make any representation or warranty, express or implied, as to the ability of any index to accurately represent the asset class or market sector that it purports to represent and neither S&P Dow Jones Indices LLC, Dow Jones Trademark Holdings LLC, their affiliates nor their third party licensors shall have any liability for any errors, omissions, or interruptions of any index or the data included therein.