

PAC Capital Balanced



Morningstar Aus Msec Balanced TR AUD (XIUSA04GJ0) (ticker 95245)

A\$AUD

31/10/2021

Fund Strategy

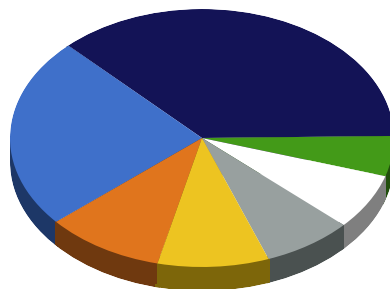
Portfolio Description – A diversified portfolio of securities across both defensive/income-oriented assets such as cash and fixed interest securities and growth assets such as Australian equities, property and international equities with an emphasis on growth assets over defensive assets. The mix of defensive and growth assets and the allocation between defensive and growth assets will vary according to market conditions.

Investment Objective – The P.A.C. Balanced Portfolio aims to achieve a moderate amount of capital growth along with some income by investing in a diversified portfolio of growth and defensive assets.

Performance Objective – to exceed the Morningstar Aus Multi-Sector Balanced TR Index (AUD)

Portfolio Weights

- International Shares 37.33%
- International Fixed Interest 24.14%
- Australian Shares 9.92%
- Australian Fixed Interest 9.35%
- Australian Listed Property 7.33%
- Alternatives 7.01%
- Groups < 5% 4.92%



Fund Performance

Performance as at 29 October 2021	1 Month	QTD	1 Year	3 Year	Inception
Portfolio	1.23	1.23	11.51	11.04	12.48
Benchmark	-0.14	-0.14	13.89	8.70	7.39
Excess Return	1.37	1.37	-2.37	2.34	5.09

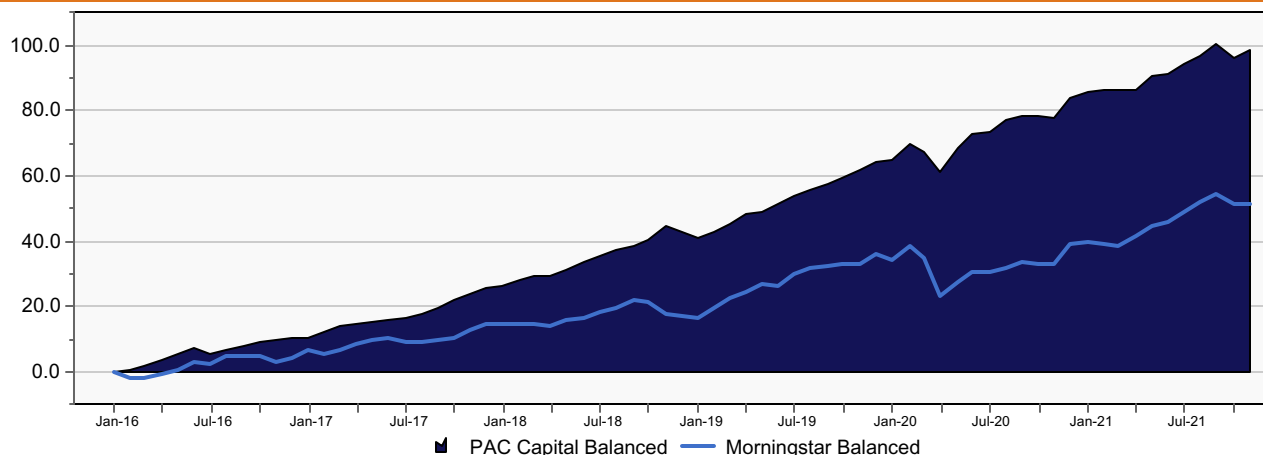
Fund Performance

International markets rallied through October despite a continuation of some worrisome issues including defaults in China's property sector, rising energy prices, and forthcoming central bank tapering. Our overarching expectation through October differed slightly from consensus in that we believed that supply dislocations and inflationary concerns were already priced in and the magnitude and longevity of their impact was overstated.

Consequently, we positioned the multi-asset funds towards technology with a slight overweight to international equities and entirely avoided emerging market equities. We believed U.S. large-cap technology would be largely sheltered from supply dislocations as they primarily sell digital goods and services.

At the tail end of the month the RBA lost control of its yield policy causing a sharp decline in Australian Fixed Income, highlighting how interest rate changes can have drastic effects on security prices even when expected. We believe that managing the multi-asset portfolios through tapering activities will be central to their success through 2021 and 2022.

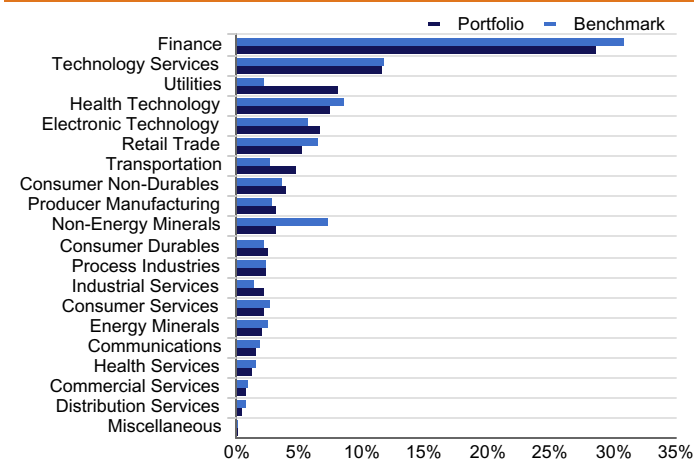
Cumulative Performance



Top Industry Funds

Fund	1 Month	YTD	1 Year	3 Year
Lifeplan Education Bond MLC Balance...				
CBUS Super Conservative Growth				
FSI Wholesale Balanced	-0.9%	6.4%	11.0%	7.7%
AustralianSuper Conservative Balanc...	0.8%	8.8%	13.8%	8.6%
Morningstar Balanced Fund - Class A	-0.7%	7.2%	13.1%	6.4%
AMP Capital Balanced Growth Fund-CI...	0.6%	11.3%	19.6%	9.9%
BetaShares Ethical Diversified Bala...	-0.6%	6.9%	12.2%	
IOOF WealthBuilder Moderate -IOOF M...	0.0%	5.9%	8.9%	5.5%
Vanguard Diversified Balanced Index...	0.0%	6.9%	12.8%	8.9%

Sector Weights



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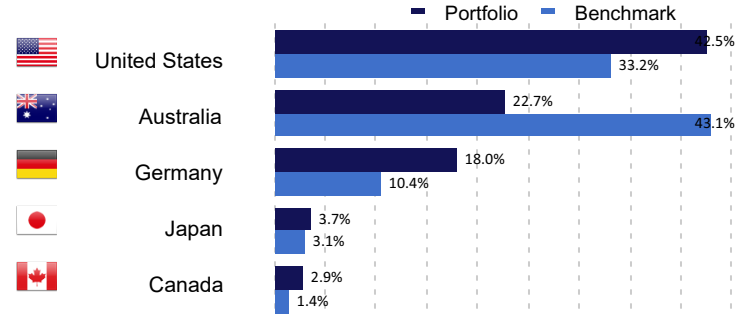
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Commentary

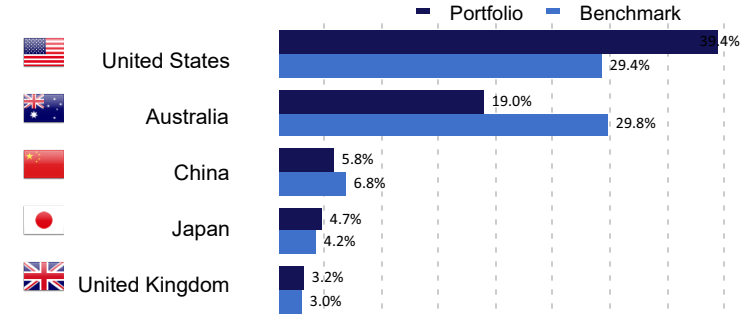


Clayton Larcombe
Managing Director
Chief Investment Officer (CIO)

Top 5 Countries by Domicile



Top 5 Countries by Revenue



Top Performers

	Return (%)	Ending Weight (%)
Vanguard MSCI Index Internatio...	3.29	26.2
Vanguard Global Infrastructure...	1.15	7.0
Vanguard Australian Property S...	0.51	7.3
Vanguard Australian Shares Ind...	-0.09	9.9
Vanguard Global Aggregate Bond...	-0.41	24.1

Top 10 Positions

	Sector	Weight (%)
Vanguard MSCI Index In...	International Shares	26.18
Vanguard Global Aggreg...	International Fixed In...	24.14
Vanguard MSCI Index In...	International Shares	11.16
Vanguard Australian Sh...	Australian Shares	9.92
Vanguard Australian Fi...	Australian Fixed Inter...	9.35
Vanguard Australian Pr...	Australian Listed Prop...	7.33
Vanguard Global Infras...	Alternatives	7.01

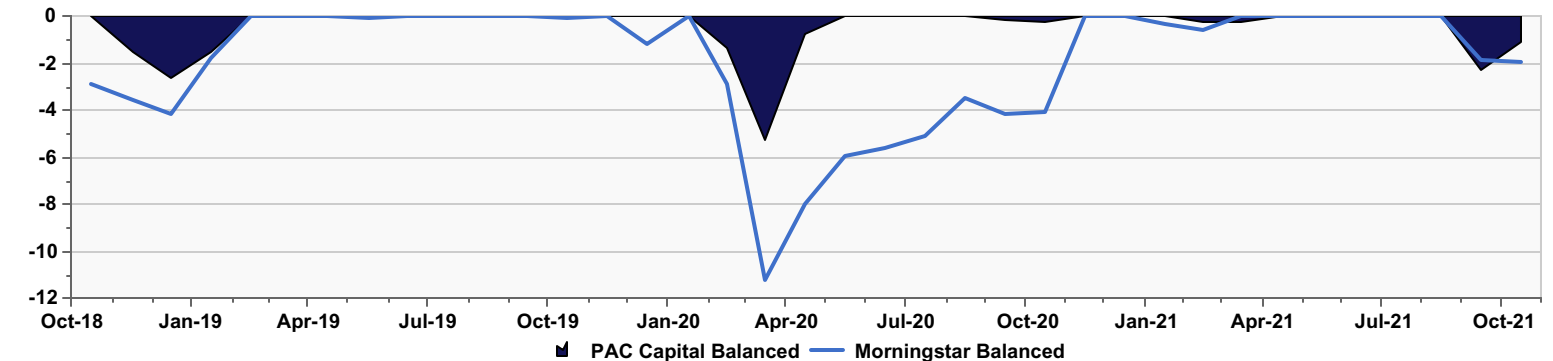
Bottom Performers

	Return (%)	Ending Weight (%)
Vanguard MSCI Index Internatio...	-0.85	11.2
Vanguard Australian Fixed Inte...	-3.29	9.4

3 Year Risk Statistics

Annualized Standard Deviation	5.01
Beta	0.48
Sharpe Ratio	1.71
Alpha	0.80
R-Squared	51.67

Drawdown



Market values are calculated using the latest available Net Asset Value (NAV) for unlisted managed funds and the latest closing price for listed securities, for the report date. Data for each fund are provided by Factset Pacific, INC. ABN 18 084 544 865 342. The information contained in this statement is given in good faith and has been derived from sources believed to be accurate at the report request date. However, it is general information only and should not be considered a comprehensive statement on any matter nor relied upon as such. PWM Financial Services does not, nor do any of their related entities, employees, or directors, give any warranty of reliability or accuracy or accepts any responsibility arising in any other way including by reason of negligence for errors or omissions. This disclaimer is subject to any requirement of the law.