MyNorth Managed Portfolios

WEINBERG PRIVATE CONSERVATIVE CORE PORTFOLIO

Quarterly update for quarter 30 June 2022

Investment objective

The managed portfolio aims to provide income, with a moderate level of capital growth and capital volatility over an investment time frame of 2 years.

Key information

Code	NTH0013
Manager name	Zenith Investment Partners
Inception date	1 July 2019
Benchmark	Morningstar Australia Moderate Target Allocation NR
Asset class	Diversified
Number of underlying assets	17
Minimum investment horizon	2 years
Portfolio income	Paid to Cash Account
Investment management fee	0.13%
Estimated investment performance fee	-
Total indirect costs	0.52%
Total estimated management costs	0.65%
Risk band/label	3/Low to medium
Minimum investment amount	$500

About the manager

Zenith Investment Partners

Zenith is an Australian research house, specialising in managed funds research and consulting. Established in 2002, Zenith works with clients to build out managed portfolios solutions, investment capability and governance. Zenith's portfolio idea generation arises from annual reviews of the strategic asset allocation, quarterly sector reviews and manager selection. Manager selection is a key value add. This input occurs through Zenith's market-renowned annual sector reviews ratings, ranking and themes, and analyst best ideas portfolios.

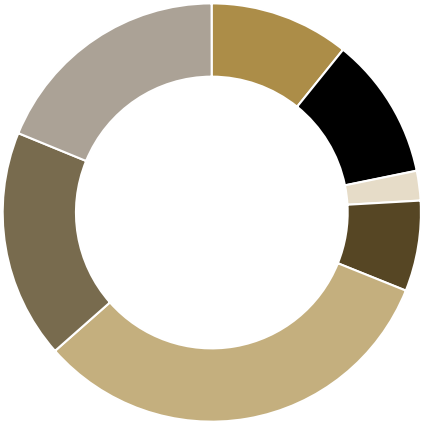
Returns

as at 30 June 2022

	Since inception*	1 Month (%)	3 Months (%)	6 Months (%)	1 Year (%)	3 Years (%)
Total return[1]	0.28	-2.78	-5.07	-7.42	-6.09	-
Income	2.88	1.29	1.27	1.49	1.99	-
Growth	-2.60	-4.07	-6.34	-8.91	-8.08	-
Benchmark[2]	-0.02	-3.03	-5.74	-9.55	-7.64	-

* Since inception returns begin from the month end immediately following portfolio launch.

Asset allocation



as at 30 June 2022

	Growth assets	Allocation (%)
	Australian Equities	10.8
	International Equities	11.0
	Property	2.3
	Other	7.0
	Total	**31.1%**

	Defensive assets	Allocation (%)
	Australian Fixed Interest	32.4
	International Fixed Interest	17.7
	Cash	18.8
	Total	**68.9%**

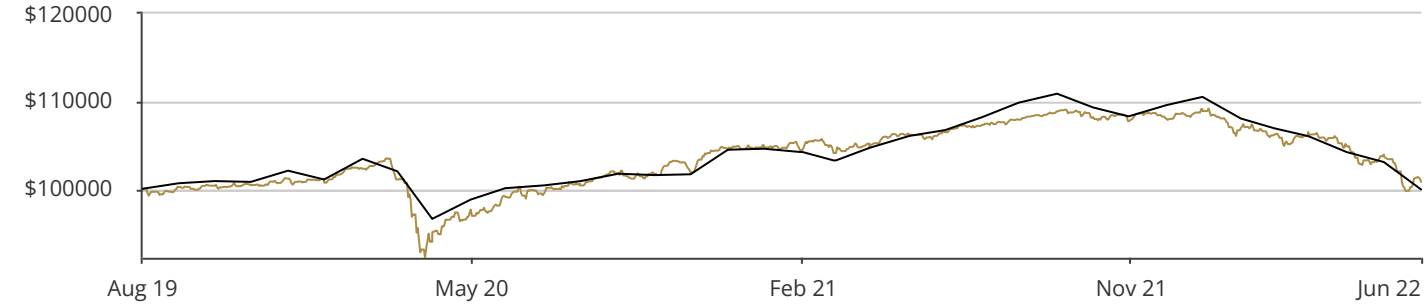
Asset allocation data sourced via Morningstar® from the underlying fund manager.

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 The applicable Benchmark for this portfolio is shown in the Key Information section.

Performance history

$100,000 invested since 31/07/2019



31/07/2019 - 30/06/2022 Powered by data from FE fundinfo

Portfolio

Benchmark

Managed portfolio holdings[3]

Holding	Asset class	Allocation (%)
Ardea Real Outcome Fund	Fixed income	9.0
Franklin Australian Absolute Return Bond Fund - I Class	Fixed Income	6.0
Insight Diversified Inflation Plus Fund - Class B	Alternatives	3.0
iShares Australian Listed Property Index Fund	Listed property/infrastructure	2.5
Janus Henderson Global Multi-Strategy Fund - Institutional Class	Alternatives	3.5
Janus Henderson Tactical Income Fund	Fixed income	8.8
L1 Capital International Fund - Z Class	International shares	2.0
Legg Mason Western Asset Aust Bond Fund - Class A	Fixed income	8.8
Lennox Australian Small Companies Fund	Australian shares	4.3
Macquarie Income Opportunities Fund	Fixed income	8.8
Magellan Global Fund	International shares	3.5
Man AHL Alpha (AUD) - Class B	Alternatives	2.5
Pendal Short Term Income Securities Fund	Fixed income	8.5
PIMCO Wholesale Global Bond Fund	Fixed income	8.8
Solaris Core Australian Equity Fund (Performance Alignment)	Australian shares	7.8
UBS Cash Fund	Cash	7.0
Vanguard International Shares Index Fund (Hedged)	International shares	5.5

Quarterly manager commentary

Market update

Global share markets continued to weaken materially over the second quarter of 2022. Inflation continued to be a dominant theme for markets, with investors focused on rising cash rates as central banks looked to tame persistently high inflation. At the June meeting, the US lifted the Federal funds rate to 1.75 per cent, the largest interest rate increase since 1994 and signalled it would continue lifting rates this year at the most rapid pace in decades. Locally, the RBA delivered consecutive cash rate hikes during the quarter, 0.25 per cent in May, and a greater than expected 0.5 per cent in June, the first rates hikes since 2010. Bonds, typically a stable asset class, suffered because of the high inflation and central bank rate hikes.

As a result of rising cash rates, US consumer sentiment fell to record lows and home sales rolled over. Meanwhile real disposable incomes were weighed down by increasing fuel and food costs, leading to a fall in consumer spending. This contributed to an estimated negative GDP data for the June quarter. Further softer economic data and the flow-on effect to commodity prices prompted markets to re-assess the degree of policy tightening and to factor in the US Fed easing rates in 2023, which provided some support to shares later in the period.

Higher inflation reflected a combination of rising energy/commodity prices and higher wages growth Energy prices were pushed higher over the quarter due to the ongoing Russian-Ukraine conflict. Adding further pressure, European leaders agreed to ban 90 per cent of Russian crude oil by the end of the year. This led to increased worries about the potential impact on inflation and growth deteriorating further. Higher wages growth reflected very tight labour markets, with unemployment falling in the US and Australian to ultra-low levels.

The Australia share market outperformed its global counterparts over the quarter. Up until the end, strong commodity prices supported the materials and energy-heavy Australian share market. Meanwhile, the banking sector struggled as investors focussed on the potential impact of rapid increases in mortgage rates on house prices and households. Economically, consumer sentiment dropped to its lowest level since the early stages of the pandemic under the weight of rising mortgage rates.

Portfolio Update

We remain comfortable with the current structure of this portfolio. Consequently, no changes have been made this quarter.

The best performing funds over the quarter were Man AHL Alpha (AUD) – Class B, Ardea Real Outcome Fund, and UBS Cash Fund. Notable contributors to Man's outperformance were shorts in credit and long positions in commodities, while Ardea's outperformance can be attributed mainly to its exposure to interest rate options and associated hedging activity to manage the impact of duration. Meanwhile, UBS Cash performed well as recent market volatility triggered a rotation into more defensive assets.

The worst performing funds were Lennox Australian Small Companies Fund, iShares Australian Listed Property Index Fund, and Vanguard International Shares Index Fund (Hedged). Lennox underperformed given it typically excludes Resources stocks which have rallied over the past year and are a significant portion of the small cap index, while iShares' underperformance was due to a challenging quarter for Australian REITs with the prospect of rising real yields. Vanguard's struggles stemmed from the continued sell-off in global equities.

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.

These partnered managed portfolios are only available to you, if at the time you made your application, you are a client of the Weinberg Private group of practices. If you cease to be a client of the Weinberg Private group of practices you will no longer be eligible for access to these partnered managed portfolios. We will close your Portfolio within the Scheme and transfer the underlying assets in your Portfolio to your North Platform account or realise the underlying assets to cash and transfer this cash to your North Platform account. For more information relating to restrictions that may apply to these partnered managed portfolios, refer to the 'Eligibility" in Part 1 of the MyNorth Managed Portfolios PDS.