

# Bentleys Wealth Conservative Portfolio Macquarie

December 2022

## Fund Objective

To deliver an investment return of 1.5% p.a. above inflation, after fees, over rolling 3 year periods.

## Trailing Returns

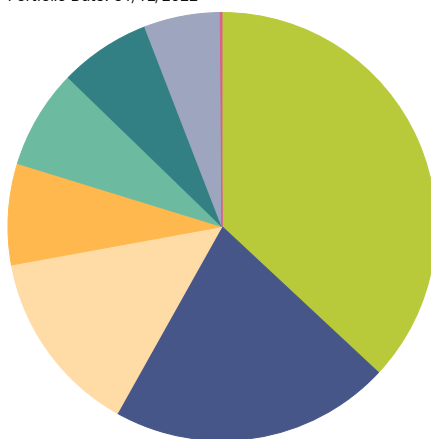
	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years
Bentleys Wealth Conservative Portfolio Macquarie	-0.42	2.14	2.43	-1.16	2.33	3.72
RBA Trimmed Mean Consumer Price + 1.5%	0.63	1.89	3.81	6.78	4.33	3.87

## Bentleys Wealth Conservative Fees

Managed Accounts: 0.18%  
ICR: 0.46%

## Surveyed Asset Class

Portfolio Date: 31/12/2022



## Top 10 Holdings

	Portfolio Weighting %
BetaShares Aus High Interest Cash ETF	16.02
Ardea Real Outcome Fund	14.83
Franklin Australian Absolute Return Bd W	9.77
Alexander Credit Income Fund	8.73
Realm High Income - Wholesale	8.66
Fortlake Real-Higher Income	7.83
Global X US Treasury Bond (Ccy Hdg) ETF	7.49
Janus Henderson Global Multi-Strategy	6.87
Vanguard Australian Government Bond ETF	4.88
Fidelity Australian Opportunities	2.92

## Risk Statistics

Time Period: Since Inception to 31/12/2022

Std Dev	3.71
Sharpe Ratio	-0.08

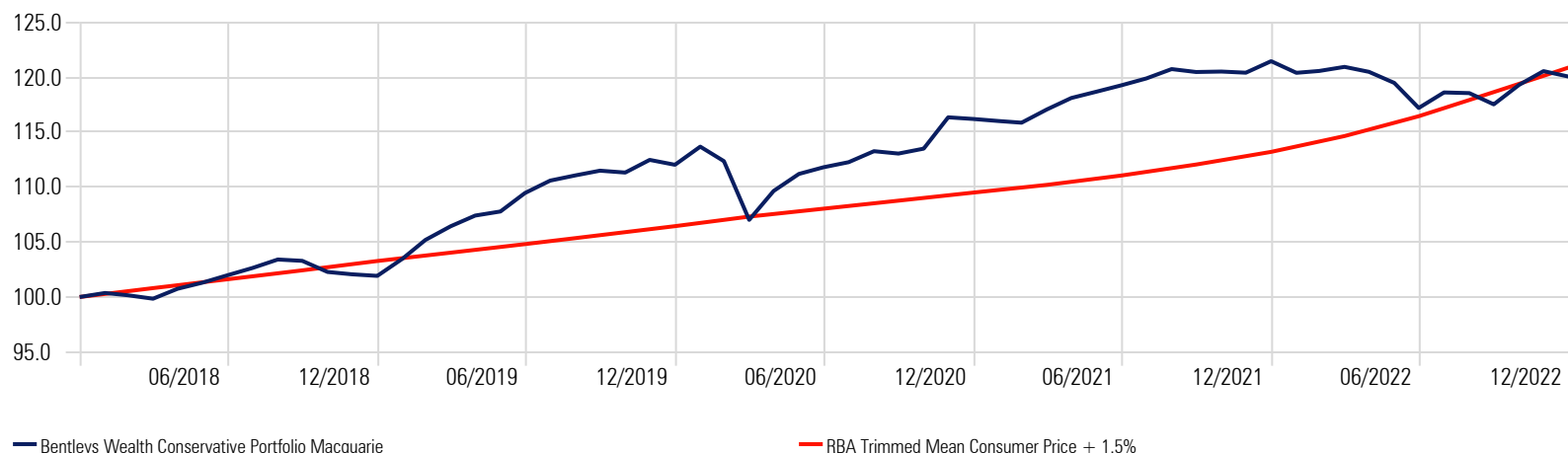
## Snapshot

P/E Ratio	15.77
12 Mo Yield	3.41%

Domestic Fixed Interest	36.9
Cash	21.2
International Fixed Interest	14.0
International Equity	7.6
Unclassified	7.5
Alternatives	6.9
Domestic Equity	5.7
International Listed Property	0.1
<b>Total</b>	<b>100.0</b>

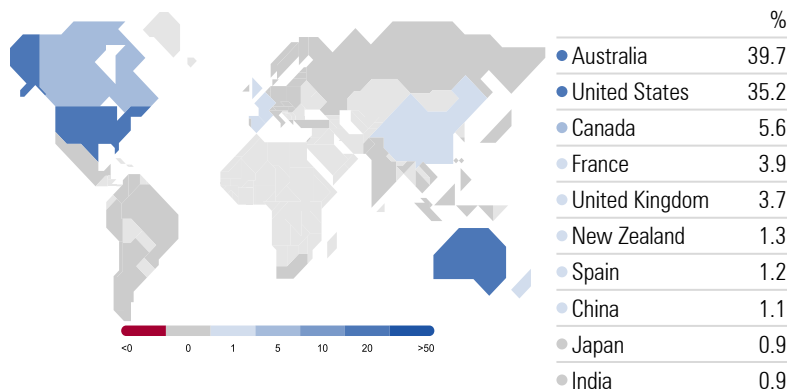
## Investment Growth

Time Period: Since Common Inception (1/01/2018) to 31/12/2022



## Equity Country/Region Exposure

Portfolio Date: 31/12/2022



## Equity Sectors

Portfolio Date: 31/12/2022

Basic Materials	19.25%
Consumer Cyclical	7.23%
Financial Services	14.05%
Real Estate	4.84%
Consumer Defensive	6.83%
Healthcare	6.03%
Utilities	9.57%
Communication Services	2.36%
Energy	9.08%
Industrials	12.59%
Technology	8.16%

## Market Commentary

The December quarter 2022 proved to be a strong finish to an otherwise exceptionally poor year for investors. Developed and Emerging Market equities all surged higher on news that inflationary pressures are showing tentative signs of moderating. China's exit from its zero Covid policy was also welcomed by markets. China's reopening dominated the performance of industrial metals such as iron ore, which posted positive abnormal returns. Meanwhile, US dollar weakness supported gold and offset headwinds from higher real interest rates. The Reserve Bank of Australia also offered further hope to markets that the cycle of monetary tightening was getting closer to the desired level, by slowing the pace of interest rate hikes despite evidence that inflation is still a persistent problem. The year ended with the revelation that the US dollar, crude oil, and cash were the only major financial assets that generated positive gains in what has proved to be an extraordinary 12 months.

## Outlook

We view 2023 as a year when inflation will subside as monetary tightening naturally runs its course. Regardless, if central banks reduce the pace of tightening, pause or even pivot, there is no argument that an economic slowdown is currently underway. In such a recessionary scenario, global equities could potentially fall heavily before staging a recovery once all the bad news is fully priced in. For now, our base case is that equities will find their bottom somewhere in the second half of this year. If the expected recession turns out to be mild, there could be an attractive re-entry point into risk assets.

In the meantime, we continue to maintain that investors should remain defensive and patient. There may be more pain to come but once the initial phase of recessionary dynamics has played out, you will be well positioned to participate and profit from a rebounding market.

## Bentleys Wealth Disclaimer

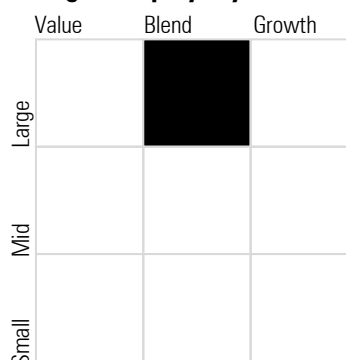
\*Returns prior to Dec 2020 are backtested

Bentleys (QLD) Wealth & Financial Services Pty Ltd is a Corporate Authorised Representative (No. 1256068) of Bentleys (QLD) Advisory Pty Ltd ABN 19 057 135 636. Australian Financial Services Licence No. 274444. The information contained in this communication may be confidential. You should only read, disclose, re-transmit, copy, distribute, act in reliance on or commercialise the information if you are authorised to do so. If you are not the intended recipient of this e-mail communication, please immediately notify us by e-mail to [riskandcompliance@bris.bentleys.com.au](mailto:riskandcompliance@bris.bentleys.com.au), or reply by e-mail direct to the sender and then destroy any electronic and paper copy of this message. Any views expressed in this communication are those of the individual sender, except where the sender is authorised to state them to be the views of Bentleys (QLD) Wealth & Financial Services Pty Ltd or Bentleys (QLD) Advisory Pty Ltd. Any advice contained in this communication has been prepared without taking into account your objectives, financial situation or needs. Before acting on any advice in this communication, Bentleys (QLD) Wealth & Financial Services Pty Ltd or Bentleys (QLD) Advisory Pty Ltd recommends that you consider whether it is appropriate for your circumstances. If this communication contains reference to any financial products, Bentleys (QLD) Wealth & Financial Services Pty Ltd or Bentleys (QLD) Advisory Pty Ltd recommends you consider the Product Disclosure Statement (PDS) or other disclosure document before making any decisions regarding any products. Bentleys (QLD) Wealth & Financial Services Pty Ltd or Bentleys (QLD) Advisory Pty Ltd does not represent, warrant or guarantee that the integrity of this communication has been maintained nor that the communication is free of errors, virus or interference.

## Equity Style Box

Portfolio Date: 31/12/2022

### Morningstar Equity Style Box™



### Equity Style

Equity Style	%
Equity Style Value %	20.9
Equity Style Core %	47.7
Equity Style Growth %	31.4