

Performance Insight



Commonwealth Investment Funds Quarterly Update as at 30 June 2023

Commonwealth Investment Funds

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Important Information

On 1 April 2021, AIA Australia (AIAA) ABN 79 004 837 861 AFSL 230043 replaced the Colonial Mutual Life Assurance Society Limited (CMLA) (ABN 12 004 021 809 AFSL 235035) as the administrator of your products. This change of administrator does not impact the operation of your account. The terms and conditions of your account will operate as they do today and are unchanged.

Information is current as at 30 June 2023. The information contained in this document is general information only (including the statements on taxation which are of a general nature only and based on current laws, rulings and their interpretation as at 30 June 2023) and has been prepared without taking into account your objectives, financial situation or needs. You should consider the appropriateness of this information for your objectives, financial situation or needs. You should speak to your financial adviser or tax adviser in relation to taxation issues.

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Performance Insight is issued by AIAA and Colonial First State Investments Limited ABN 98 002 348 352 AFSL 232468 (CFSIL).

Performance Insight

Quarterly performance report as at 30 June 2023

Financial markets commentary:

In Q2 2023, the Reserve Bank of Australia lifted local interest rate by a further 50 bps to 4.10%. Unemployment rate has fell to 3.6%, better than consensus forecast. The Australian Dollar closed the quarter - 0.31% against US Dollar at 0.6664.

For Australian equities, S&P 200 Accumulation Index added 0.36% over the quarter. Communication Services sector added 1.4%; Consumer Discretionary sector retreated by -1.87%; Consumer Staples sector lost -0.13%; Energy sector added 3.56%; Financials sector added 1.46%; Healthcare sector lost -3.18%; Industrials sector added 3.05%; Information Technology sector added 21.03%; Materials sector lost 2.57%; Utilities sector; S&P/ASX Small Ordinaries Index has underperformed its large counterpart, and returning -1.02% for the quarter.

Global equities have made positive progress across all major shares market in Q2 2023. The MSCI World Index returned 6.28% over the quarter. In US, S&P 500 index added 8.3% during the period. The Nikkei 225 Index in Japan has added 18.36% in the period, becoming a standout performer.

In bond market, the persistence of inflation and an increasing likelihood of interest rate hikes further pushed bond yields higher in most major regions over Q2. 10 Year Australian Commonwealth Government Bonds rose 0.726% over the quarter, breaking the 4% level for the first time since January. 10 Year government bond yield rose 0.370% for the same period.

Credit market benefited from the general improvement in risk appetite over the quarter, with credit spreads narrowed. Corporate default rates have not yet risen materially, due to supportive economic data. It is noteworthy that credit valuations at this stage have not fully priced in the prospect inflation remaining sticky for an extended period of time, which is a possibility.

Market Indices	Returns as at 30 June 2023								
	3 mth (%)	6 mth (%)	1 yr (%)	2 yr (% p.a.)	3 yr (% p.a.)	4 yr (% p.a.)	5 yr (% p.a.)	7 yr (% p.a.)	10 yr (% p.a.)
Australian Shares									
S&P / ASX 200 Accumulation Index	1.0	4.5	14.8	3.6	11.1	6.1	7.2	8.9	8.6
International Shares									
MSCI All Country World Net Index (AUD)	7.2	16.5	20.8	5.4	12.4	10.3	10.5	11.8	12.3
Australian Fixed Interest									
Bloomberg AusBond Composite 0+ Yr Index	-2.9	1.5	1.2	-4.8	-3.5	-1.6	0.5	0.8	2.4
International Fixed Interest									
Bloomberg Barclays Global Aggregate Corporate (hedged AUD)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Property									
S&P / ASX 200 - A-REIT Accumulation Index	3.4	3.9	8.1	-2.6	8.1	-0.1	3.5	3.3	7.7
Cash									
Bloomberg AusBond Bank Bill Index	0.9	1.7	2.9	1.5	1.0	1.0	1.2	1.3	1.7
Currency									
AUD/USD	-1.0	-2.2	-3.6	-6.0	-1.2	-1.4	-2.1	-1.6	-3.2

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Commonwealth Investment Funds Quarterly performance report as at 30 June 2023

Closed to new investors

Investment options	Inception date	Investment option fee & costs	Buy/Sell Spread	Fund size (\$m)	Entry price (\$)	Exit price (\$)	Last distribution (% p.a.)	Last distribution date	Distribution frequency	Return type	Return for specified period (%)			Compound annual returns (%)				Asset allocation (%)						
											3 mths	6 mths	1 year	3 years (p.a.)	5 years (p.a.)	10 years (p.a.)	Since inception	Australian shares	Global shares	Listed property	Alternatives	Fixed interest	Cash	
Commonwealth Income Fund	2/03/1994	1.22%	0.30% / 0%	34.6	0.96159	0.95967	0.33%	30/06/2023	Quarterly	Growth	-1.0%	2.0%	2.6%	-2.1%	-1.1%	-1.1%	-0.1%	9.8%	-	-	-	60.0%	30.1%	
										Distribution	0.2%	0.2%	0.2%	0.8%	1.7%	3.0%	4.5%							
										Total	-0.8%	2.2%	2.8%	-1.3%	0.6%	1.9%	4.4%							
Commonwealth Balanced Fund	4/10/1988	1.62%	0.30% / 0%	137.3	1.81629	1.81267	5.69%	30/06/2023	Quarterly	Growth	0.6%	4.5%	6.7%	0.1%	0.7%	2.6%	1.8%	31.5%	25.8%	3.0%	-	34.5%	5.2%	
										Distribution	1.0%	1.9%	3.5%	4.3%	3.3%	2.8%	5.0%							
										Total	1.6%	6.4%	10.2%	4.5%	4.0%	5.3%	6.8%							
Commonwealth Growth Fund	2/03/1994	1.62%	0.30% / 0%	112.0	2.05776	2.05366	14.32%	30/06/2023	Half-Yearly	Growth	-0.8%	3.7%	4.6%	0.3%	0.6%	3.1%	2.5%	41.6%	25.7%	7.5%	-	22.4%	2.7%	
										Distribution	3.1%	3.3%	4.8%	5.2%	3.7%	2.9%	4.1%							
										Total	2.3%	7.0%	9.4%	5.6%	4.3%	6.0%	6.6%							
Commonwealth Australian Share Fund	2/03/1994	1.62%	0.40% / 0%	25.5	1.33843	1.33576	4.85%	30/06/2023	Half-Yearly	Growth	-0.7%	2.7%	5.4%	0.5%	-1.1%	-1.1%	1.0%	99.5%	-	-	-	-	0.5%	
										Distribution	2.3%	2.4%	4.0%	7.2%	5.0%	7.0%	6.8%							
										Total	1.6%	5.1%	9.5%	7.7%	4.0%	5.9%	7.8%							
Commonwealth Share Income Fund	29/06/1990	1.62%	0.40% / 0%	62.6	1.48895	1.48598	3.76%	30/06/2023	Half-Yearly	Growth	-0.9%	2.6%	5.3%	0.6%	-1.0%	-0.9%	1.2%	99.2%	-	-	-	-	0.8%	
										Distribution	2.4%	2.5%	4.3%	7.2%	5.0%	6.8%	7.1%							
										Total	1.6%	5.1%	9.5%	7.7%	4.0%	5.9%	8.3%							
Commonwealth Property Securities Fund	21/10/1996	1.62%	0.40% / 0%	8.9	0.87770	0.87594	0.74%	30/06/2023	Half-Yearly	Growth	1.6%	2.2%	4.7%	6.4%	2.2%	4.0%	-0.5%	-	-	98.5%	-	-	-	1.5%
										Distribution	0.8%	0.8%	1.7%	1.1%	1.2%	2.4%	5.6%							
										Total	2.4%	3.0%	6.4%	7.5%	3.4%	6.4%	5.1%							
Commonwealth International Shares Fund	2/03/1994	1.62%	0.25% / 0%	19.5	3.69658	3.69105	0.67%	30/06/2023	Half-Yearly	Growth	7.4%	17.3%	21.9%	11.5%	9.4%	10.8%	4.6%	-	98.2%	-	-	-	-	1.8%
										Distribution	0.1%	0.1%	0.1%	0.1%	0.0%	0.1%	1.5%							
										Total	7.5%	17.4%	22.0%	11.6%	9.4%	10.9%	6.0%							
Commonwealth Bond Fund	19/01/1990	1.22%	0.20% / 0%	7.5	0.99429	0.99230	-	30/06/2023	Quarterly	Growth	-2.9%	1.2%	0.8%	-4.6%	-2.7%	-1.5%	0.0%	-	-	-	-	98.1%	1.9%	
										Distribution	0.0%	0.0%	0.0%	0.5%	2.4%	2.5%	5.1%							
										Total	-2.9%	1.2%	0.8%	-4.2%	-0.3%	1.1%	5.1%							