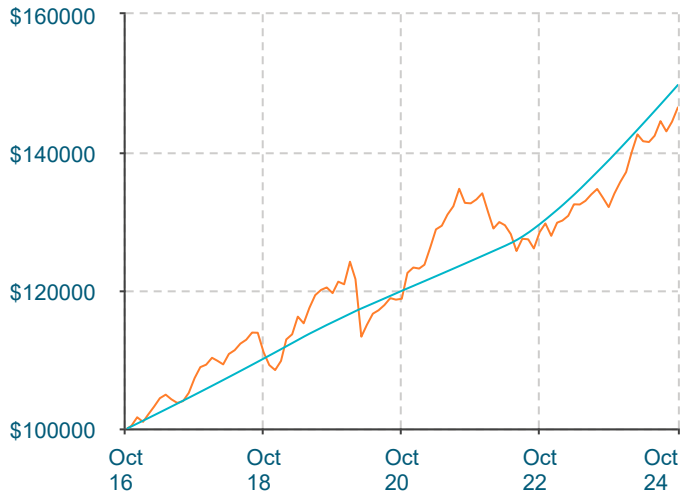


Atrium Risk Targeted Balanced 7 Portfolio



As at 31 October 2024

Growth of \$100,000 since inception



● Portfolio ● Objective

Performance

	Portfolio	Objective
Since inception (% p.a.)	4.90%	5.19%
10 Years (%p.a.)		
7 Years (%p.a.)	4.55%	5.22%
5 Years (%p.a.)	4.14%	5.35%
3 Years (%p.a.)	3.38%	
1 Year	10.94%	
6 Months	3.47%	
3 Months	1.38%	
1 Month	1.44%	

Objective refers to the Return objective as stated in the Key Facts table.

Source: Atrium Investment Management, Colonial First State. Inception date is 9 November 2016. Past performance is not a reliable indicator of future performance. Future performance and return of capital are not guaranteed. Performance figures are based on input data available as at the date of this report. Individual investor portfolio performance may be different from the results above and will differ among clients depending on the timing of their investment and the level of variation from the models. Performance is after fees and costs, assumes reinvestment of all distributions, is calculated using the highest annual fee tier, and does not take into account some or all of the rebates you may receive. Return objectives are internal return objectives which are measures that Atrium considers internally when managing the portfolio. Internal return objectives are not performance benchmarks and are not features set out in the PDS. Please refer to the managed account's Product Disclosure Statement (PDS) for more information on returns.



Superior



A rating is only one factor to be taken into account when deciding whether to invest.

Investment objective

To seek to maximise returns while managing portfolio volatility such that it does not exceed the Upper Risk Limit of 7% p.a. over rolling three (3) year time periods.

Investment strategy

Atrium's focus is on the level of risk within the portfolio. We seek to allocate to investments across a broad range of asset classes based on an assessment of their value and contribution to total risk and return.

Atrium can dynamically adjust the allocation to asset classes on an ongoing basis. By doing this, we seek to build a portfolio that can withstand changes in underlying market volatility.

The aim is to deliver a risk level in the Investment Portfolio that is consistent with the investment profile selected.

Key facts

Inception date	09 November 2016
Product code	CFSATRRMB7
Investment strategy	Diversified - Risk Targeted
Volatility limit (p.a.)	7.00%
Return objective	RBA Cash + 3.5%
Investment horizon	5 years
Liquidity	Daily [^]
Platform availability	CFS FirstWrap Plus

[^]Liquidity dependent on underlying holdings. Varies from daily to weekly.

Volatility & Sharpe Ratio

	10 Years	7 Years	5 Years	3 Years
Volatility (% p.a.)	-	4.97	5.26	4.01
Sharpe Ratio	-	0.56	0.43	0.10

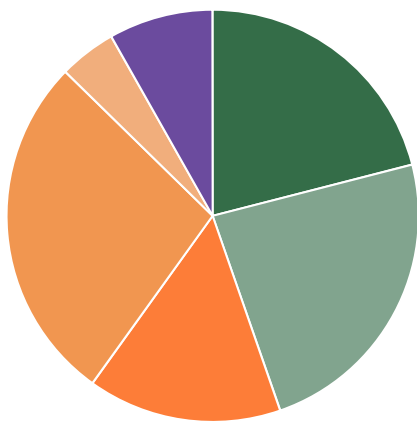
What is volatility?

Volatility measures the fluctuations, or changes, in the price of an asset or market index. Assets with higher volatility generally have greater price changes, both positive and negative, and so higher volatility is generally an indication of higher risk.

What is the Sharpe Ratio?

The Sharpe Ratio measures returns relative to the volatility, or risk, that was taken to achieve that return. The higher the ratio, the better the risk-adjusted performance has been - in other words, the investment risks taken have delivered better returns to the portfolio.

Asset allocation



● Rates & credit	21.01%
● Cash	23.67%
● Australian equities	15.24%
● International equities	27.40%
● Listed infrastructure	4.49%
● Liquid alternatives	8.19%

Source: Atrium Investment Management. Asset allocations may change at any time. May not include all open futures or derivatives positions. Cash may include allocations to shorter term rates and credit investments that may, at times, be subject to capital volatility. Figures are based on input data available as at the date of this report. Due to rounding, numbers might not add up to 100%.

Top holdings

Holding	Weight	Capital Position
CASH POSITION	23.67%	Cash
BETA GBL SHARES ETF ETF UNITS	9.23%	Equities
KAPSTREAM ABSOLUTE RETURN INCOME FUND CLASS I	7.52%	Rates & credit
GLOBAL LISTED INFRASTRUCTURE MANDATE NO. 1 (MANAGED BY MAGELLAN)	4.49%	Equities
ANTIPODES GLOBAL FUND - LONG ONLY CLASS I	4.13%	Equities
FAIRLIGHT GLOBAL SMALL AND MID CAP (SMID) FUND - FOUNDATION CLASS	3.71%	Equities
DAINTREE CORE INCOME TRUST	3.35%	Rates & credit
HYPERION GLOBAL GROWTH COMPANIES FUND - CLASS C	3.27%	Equities
COOLABAH SHORT TERM INCOME FUND	3.24%	Rates & credit
P/E GLOBAL FX ALPHA (AUD)	2.61%	Liquid alternatives

Source: Atrium Investment Management. Asset allocations may change at any time. May not include all open futures or derivatives positions. Cash may include allocations to shorter term rates and credit investments that may, at times, be subject to capital volatility. Holdings are based on input data available as at the date of this report.

Market update

Equities were slightly weaker, with the US market recording only its second monthly decline for 2024 ahead of the approaching election. Australian equities were also negative and the Australian dollar materially declined. The US dollar remained elevated ahead of the early November election. Bond yields moved sharply higher, and gold continued to record fresh all-time highs.

US equities fell 0.9% in October, with market participants being focussed on the election outcome:

- The Oil and Gas Sector performed strongly, as markets started to consider the increased likelihood of a Republican victory and what that would mean for the sector.
- Banks and particularly Investment Banks were strong, on the assumption that a Republican victory would lead to a wind-back

Atrium aims to achieve its investment objectives by investing across a range of asset classes on a global basis that provide exposure to different risk factors.

Each asset is included in the Portfolio for its ability to contribute to returns on a stand alone basis.

The investment universe comprises of 3 broad categories - Preservers, Growth Drivers and Diversifiers.

Preservers

Assets that protect the portfolio during periods of heightened equity market volatility and preserve capital, such as cash, government bonds and high quality investment grade bonds.

Growth Drivers

Assets that are expected to deliver higher rates of return over time with higher levels of associated volatility (risk). This predominantly comprises equities but also includes other assets that are highly correlated to equities such as listed property and infrastructure.

Diversifiers

Assets that generate additional real returns, with performance that is typically uncorrelated to the growth drivers and preservers within the portfolio. Importantly, they are a source of portfolio diversification away from equity market and interest rate risks, such as liquid alternatives and private markets.

of regulation.

- Nvidia was very strong again cementing its status as one of the 2 largest companies by market capitalisation, touching US\$3.5 trillion later in the month.

The Australian market also fell slightly, by 1.3%, driven by:

- Strength in the Financials Sector, particularly away from the major Banks,
- This was offset by the Energy Sector, Materials, Consumer Staples and Utilities which were all notably weak.

Significant losses were suffered by US Treasuries in October. The US Federal Reserve cut rates by 50 basis points in September and following this yields marched higher almost in a straight line into the end of October. A range of factors drove the move such as slightly higher inflation expectations, and a rising term premium to account for a significant expected loosening in fiscal responsibility. In Australia, Government Bonds yields also rose, and markets now appear to anticipate no policy rate cuts in Australia over the remainder of the year.

The Australian dollar fell over the month, which was not necessarily consistent with the strong gains in the gold price, although gold was moving more as central banks diversify holdings, rather than as a specific US dollar trade.

Performance

The Portfolio has continued its recent strong performance, Global equity exposure was the key contributor over the month and benefitted from the tailwind of a falling Australian dollar, while the majority of our liquid alternative strategies rebounded over the month. The only notable detractor was the Australian equity allocation.

The global equity exposure was the major contributor over the month benefiting from the depreciation of the Australian dollar. Hyperion Global Growth Companies Fund was the standout on the back of strong earnings from its largest holding Tesla, while the Fairlight Global Small and Mid Cap Fund lagged the broader market.

The Direct Australian shares allocation modestly underperformed over the month, due in part to a position in Wisetech after the sudden resignation of its CEO, as well as a pull back in BHP Billiton, the largest holding in Australian equities.

Liquid alternatives managers in aggregate had a solid recovery over the month, after a challenging recent period. Positive contributions came primarily from our currency manager which benefitted from a resurgent US dollar, and weakness in the Yen and Euro, while systematic strategies also rebounded over the month. The only major detractor over the month was our risk premia strategies.

Rates and credit exposure was a positive contributor over the month. The key contributors included the CQS Credit Multi Asset Fund. However, the only detractor was via our Bond futures positions (within the Atrium Enhanced Fixed Income Fund) which were impacted by the sudden reversal in bond yields leading into the US election.

Portfolio changes

During the month there were no major manager or asset allocation changes. We remain cautiously optimistic that we are potentially in the initial stages of a new market cycle, so remain comfortable with our recently increased tilts to global smaller companies and emerging markets.

Outlook

With the US election now behind us, markets can re-focus on the fundamentals and the impacts of a Trump presidency over the next four years. Domestically our own RBA has reiterated that “underlying inflation remains too high”, which means that any fall in interest rates is expected to be some time away.

Risks of a resurgence in inflation globally persist, but at this stage inflation remains well anchored providing scope for further easing by global Central Banks if required to support growth which, in aggregate, is positive for risk assets such as equities.

For more information

If you have any questions, please contact your Financial Adviser or www.atriuminvest.com.au

Important Information:

The information in this document (Information) has been prepared and issued by Atrium Investment Management Pty Ltd (ABN 17 137 088 745, AFSL 338 634) (Atrium). This information is provided for the use of licensed and accredited financial advisers only. In no circumstances is it to be used by a potential client for the purposes of making a decision about a financial product or class of products. The Information is of a general nature only and does not take into account the objectives, financial situation or needs of any person. No liability is accepted for any loss or damage as a result of any reliance on the Information. Past performance is not a reliable indicator of future performance. Future performance and return of capital is not guaranteed.

The Trust Company (RE Services) Limited (ABN 45 003 278 831, AFSL 235 150) is the Responsible Entity of the Colonial First State Separately Managed Account (ARSN 618 390 051) (CFS SMA). Investments in the Colonial First State Separately Managed Account are only available on FirstWrap Plus. Investors should consider the Product Disclosure Statement (PDS) and Target Market Determination (TMD) before making any investment decisions. Applications for a portfolio in the CFS SMA can only be made pursuant to the application form attached to the relevant product disclosure statement or IDPS guide (CFS SMA Offer Documents). Please refer to the CFS SMA Offer Documents for important information concerning an investment in the CFS SMA.

SQM Research is an investment research firm that undertakes research on investment products exclusively for its wholesale clients, utilising a proprietary review and star rating system. Information contained in this document attributable to SQM Research must not be used to make an investment decision. The SQM Research rating is valid at the time the report was issued, however it may change at any time. While the information contained in the rating is believed to be reliable, its completeness and accuracy is not guaranteed. The SQM Research star rating system is of a general nature and does not take into account the particular circumstances or needs of any specific person. Only licensed financial advisers may use the SQM Research star rating system in determining whether an investment is appropriate to a person's particular circumstances or needs. You should read the product disclosure statement and consult a licensed financial adviser before making an investment decision in relation to this investment product. SQM Research receives a fee from the Fund Manager for the research and rating of the managed investment scheme.