

# Resonant Asset Management

## Monthly Update & Performance Summary

### December 2022

#### MARKET SUMMARY

Santa Claus was conspicuous in his absence in December as equity markets declined. Australian Equities (as per the S&P/ASX 300 Accumulation index) fell 3.3% and International Equities (as per the MSCI World net Total Return index) fell 3%.

Although US CPI again printed softer than expected, December market movements imply that investors still believe that high interest rates for longer is an increasingly likely outcome. As we head into Q1 2023, the macro data and company earnings statements will be an increasingly important signal on the state of the world's largest economy and the wider implications for global markets.

Our outlook for 2023 is focused on an overall positive environment for investors, though we see a likely continuation of some of the volatility that so characterised 2022. Central banks actions will continue to exert undue influence over markets and portfolio returns, which will make tactical changes and risk management of paramount importance.

#### Portfolio Returns

Given the market weakness in December, all Sterling-Resonant portfolios were slightly down for the month, ranging from -2.0% for Conservative to -2.6% for High Growth.

The Australian equities sleeve within the models was up 0.1% vs the ASX200 Index.



**IMAP**  
MANAGED ACCOUNT  
AWARD FINALIST  
INNOVATION



**Multi Asset  
Class**  
Finalist  
2019 IMAP MANAGED  
ACCOUNT AWARDS



**Innovation**  
Finalist  
2019 IMAP MANAGED  
ACCOUNT AWARDS

# Sterling Resonant Conservative 31 December 2022

## Product Information

Code	RN0001
Investment Horizon	4 years
Min. Investment	200000
Objective	BB AusBond BB + 1.6% p.a.
Structure	SMA

## Net Performance Summary

1 Year	-5.9%
3 Years (PA)	1.2%
5 Years (PA)	3.2%
CYTD	-5.9%
FYTD	3.3%
Inception (PA)	4.6%

## Investment Strategy

To invest in an actively managed diversified portfolio of direct Australian equity securities, managed funds and ETF's across a broad range of asset classes. The portfolio is optimised to aim for the highest level of return whilst remaining in the conservative portfolio allocation set out below. As a result, asset allocations may vary depending on market conditions and correlations, however it is expected that over a full economic cycle, growth assets will average approximately 40%, while defensive assets will average approximately 60%. The portfolio invests a minimum of 40% in defensive assets (cash and fixed interest)

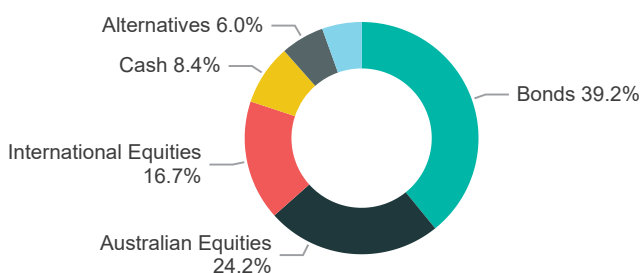
## Net Cumulative Performance



## Asset Allocation

AssetClass	Weight
Bonds	39.2%
Australian Equities	24.2%
International Equities	16.7%
Cash	8.4%
Alternatives	6.0%
Property & Infrastructure	5.5%

## Asset Allocation



**Notes on Returns:** The returns presented reflect the performance of Resonant's headline managed model portfolios only, they do not reflect individual investor returns. The managed model returns are shown net of any underlying investment product fees. The returns do not include any adviser fees or platform fees. The returns do not include the benefit of franking credits and are shown before tax. Please note the actual returns of individual investors will differ due to adviser fees, platform fees, franking credits, market timing and realised trading costs. Client specific circumstances such as the investor's tax rate and any client directed holdings or exclusions will also influence individual returns. The "inception date" used in this report, being 1st July 2016, reflects the date that Resonant's "Quantamental" investment process was implemented by Libero Capital, formerly a related entity of Resonant. Resonant was "spun out" of Libero Capital in 2017. In February 2018 Resonant launched a suite of SMA models on the Netwealth platform. The investment IP, models and processes of the Resonant models are identical to that of the Libero models. Performance figures are supported by time-stamped model uploads. These returns are calculated from data provided by third parties in accordance with GIPS compliant methodology. The returns are unaudited. The historical returns presented reflect the historical performance of Resonant's headline managed model portfolios only, not the performance of the Resonant-Sterling SMA's. While the holdings of the Resonant-Sterling models are identical to the holdings of Resonant's headline portfolios, performance may vary slightly due to differences in implementation and fees across investment platforms. We do not expect these differences to be material. Model returns do not reflect individual investor returns.

**Fees:** For the fees related to this product and their breakdown, please refer to the PDS.

**General Information Purposes Only:** The Information within this research report, does not constitute personal financial advice. In preparing this research, Resonant Asset Management Pty Ltd (Resonant) has not taken into account your particular goals and objectives, anticipated resources, current situation or attitudes. You should therefore consider the appropriateness of the material in light of your own objectives, financial situation or needs, before taking any action. You should also obtain a copy of the PDS of all products referenced before making any decisions. The data, information and research commentary within this research report may be derived from information obtained from other parties which cannot be verified by Resonant and therefore is not guaranteed to be complete or accurate, and Resonant accepts no liability for errors or omissions. Resonant does not guarantee the performance of any fund, stock or the return of an investor's capital. Past performance is not a reliable indicator of future performance.

Our Financial Services Guide can be found at <https://www.resonantam.com.au/wp-content/uploads/resonant-financial-services-guide.pdf>

This information in this document is based on historical performance. Past performance is no indication of future performance. You should not rely solely on this material to make any investment decisions. Resonant Asset Management Pty Ltd ABN 41 619 513 076, AFSL No 511759. Resonant is not licensed to provide personal financial advice to retail clients.

**Peer Group Comparison:** Resonant conducts a quarterly rolling 5 year analysis of its returns vs industry peers of comparable asset allocation/risk. Peer returns and groupings are sourced from FE Analytics <https://investmentcentre.moneymanagement.com.au/investments/superannuation/fund-price-performance>. Resonant's headline models have consistently delivered outperformance vs the peer group average on a risk adjusted basis over a rolling 5 year period. This peer analysis has been provided to your adviser and can be provided to you directly from Resonant upon request.