

DONOR UPDATE

DECEMBER 2020 PERFORMANCE

Quarterly and Annual ACF Performance Figures

ACF Portfolio	Portfolio 3-month Return	Composite Benchmark 3-month return	Excess	Portfolio 12-month return	Composite Benchmark 12-month return	Excess
Long Term Growth Fund	6.98%	6.30%	0.68%	3.93%	4.54%	-0.61%
Extension Fund	7.18%	6.30%	0.88%	5.43%	4.54%	0.89%
Scholarship Fund	7.33%	6.30%	1.03%	5.90%	4.54%	1.36%
Income Fund	2.61%	1.95%	0.66%	3.29%	3.04%	0.25%

All performance figures quoted above are net of investment adviser fees and manager MERs

Market Environment

Despite continued global turbulence in Q4 2020, both in a political and social sense, markets continued to surge, with the American market reaching and surpassing all-time highs. Equity markets in October remained relatively steady for the most part, however, movement started towards the end of the month and continued into the first week of November, coinciding with the US election. This was on the back of increased clarity over the outcome of the US election, as well as continued promising developments regarding a COVID-19 vaccine and the initiating of the vaccine rollout in some nations, including the USA and UK.

Markets appear to be continuing a strong upward trajectory at this stage, with easing political concerns and vaccine news continuing to push markets higher. This would suggest a somewhat less tumultuous and volatile 2021 is likely. However, the path out of the pandemic is still likely a long way off, and tensions in the US particularly are still high. Moreover, concerns over global food shortages in 2021 are continuing to increase, suggesting there is still some risk in markets in 2021.

Long Term Growth, Extension and Scholarship Funds

The growth portfolios performed very strongly in Q4 2020 on the back of outperformance compared to benchmark in every asset class except for International Shares. Most notably, the Australian Shares portfolio performed in excess of 16% for the quarter, while the Alternative Assets portfolio also performed very well. One particular holding detracted from performance in the International Shares portfolio, and this holding is being exited in Q1 2021. It should be noted that this exit was already planned prior to the Q4 2020 underperformance.

Medium Term Income Fund

The Income Fund also performed strongly in Q4 2020, outperforming its benchmark by 0.66%. This Fund experienced similar performance across the asset classes and was well supported by the Australian Shares and Australian Fixed Interest portfolios in particular. The Q4 outperformance resulted in a 0.25% outperformance for the calendar year.