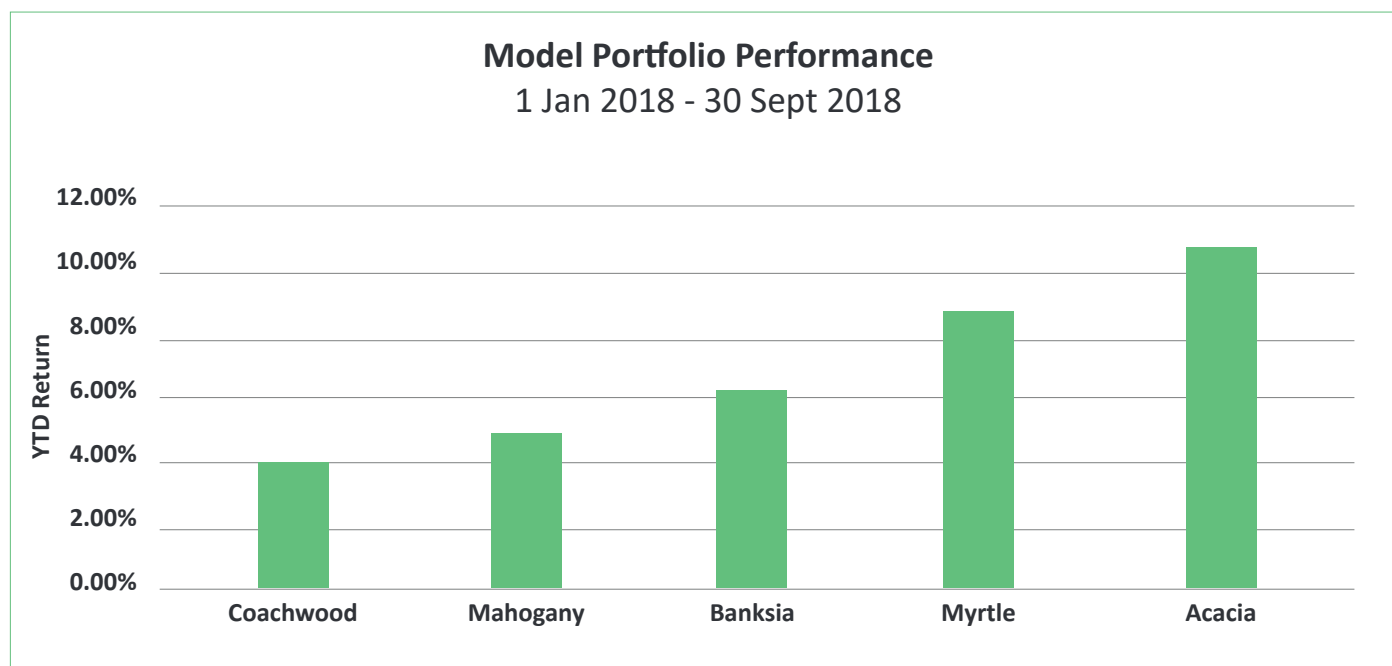


# BALANCE IMPACT PORTFOLIO PERFORMANCE REPORT

As at 30 Sept 2018



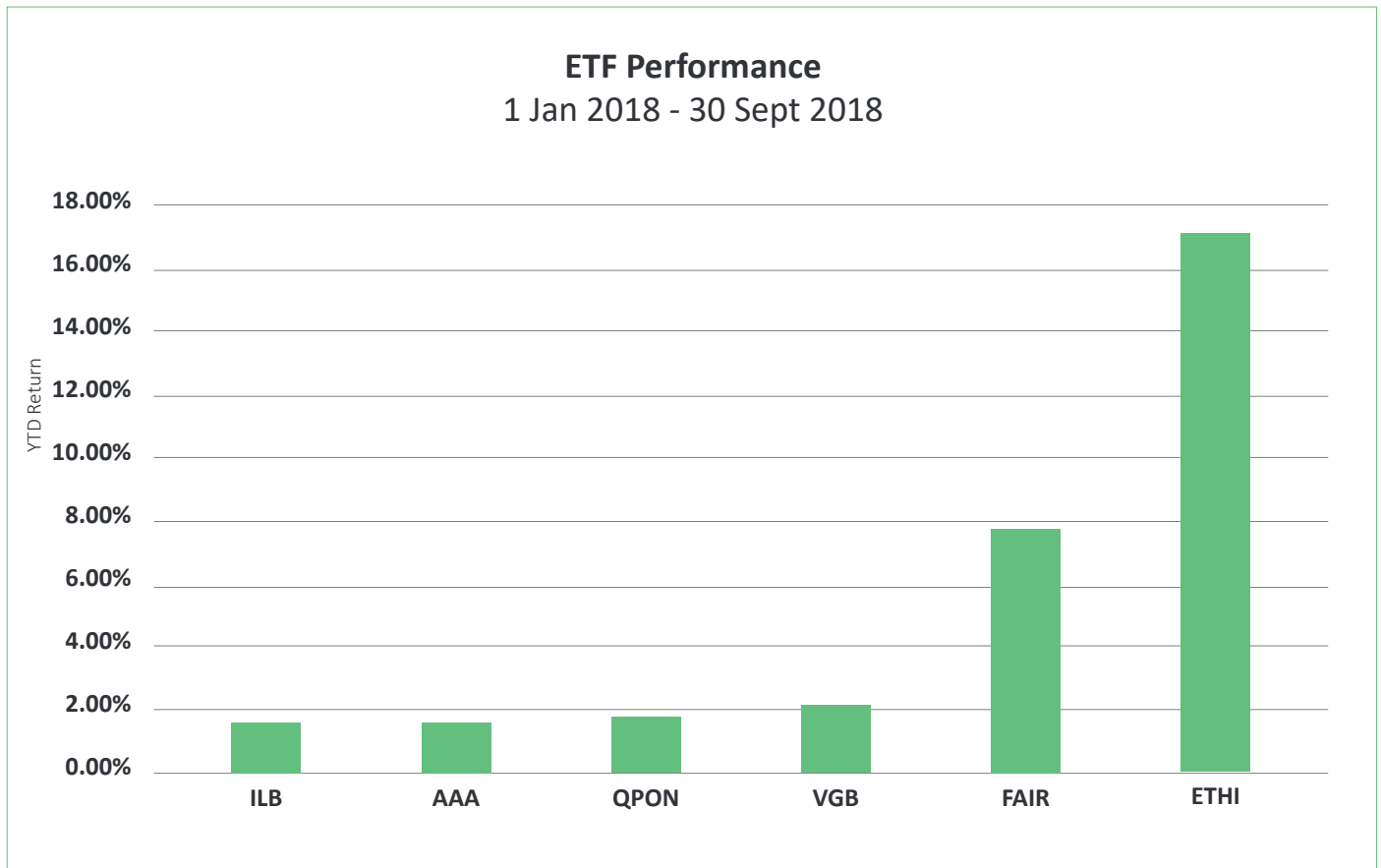
	1 Month	3 Months	6 Months	YTD
Coachwood	-0.68%	1.73%	4.20%	3.99%
Mahogany	-0.78%	2.31%	5.42%	5.06%
Banksia	-1.03%	3.05%	7.10%	6.44%
Myrtle	-0.94%	4.32%	9.32%	8.76%
Acacia	-1.16%	5.40%	11.67%	10.86%

\* Performance is as at 30 Sept 2018 and is net of investment management and ETF fees based on an investment account balance of \$50,000

## Commentary

Our portfolios have all performed well over the last 9 months and have out-performed their non-ethical market index equivalents. The strongest performing portfolio is Acacia, this higher return is a reflection of the higher amount of risk within the portfolio. Below we provide additional commentary on the factors driving performance.

# Attribution Analysis



## Defensive Assets

Of our defensive asset classes, the fixed rate Government bond ETF (VGB) generated the strongest returns in the year to date. Although everyone appreciates that interest rates must increase at some point, the lack of certainty as to when means that fixed-rate bonds continue to offer stable returns.

The floating-rate corporate ETF (QPON) has also performed well year-to-date and was up 0.93% for the quarter.

## Australian Shares

Our share portfolios gain exposure to the market via the BetaShares Australian Sustainability Leaders ETF, FAIR. The FAIR ETF performed well YTD, up 7.78% compared to the ASX200 which was up 5.72%.

The top performing sectors in FAIR were Healthcare and Communication, which contributed 1.17% and 1.12% respectively to the ETF's return over the quarter. Top performing stocks in these sectors included ResMed and Telstra.

The key sectors detracting from performance were Consumer Staples and Materials, which detracted -0.47% and -0.46% from the ETF's return over the quarter. Underperforming stocks in these sectors included Sims

Metals and Bellamy's Australia.

It is also worth noting that a rebalance of the ETF portfolio took place in September. As a result, 8 stocks were added, including Kathmandu and Pilbara Minerals (a lithium miner), and 9 stocks were removed, including Myer and Aconex. The full up to date [holding list](#) can be found on our website.

## International Shares

The international portion of our share portfolios is invested in the BetaShares Global Sustainability Leaders ETF, ETHI. The ETHI ETF generated strong returns of 8.27% during the quarter. This ETF has outperformed the global market which returned 7.21% over the same period.

The key drivers of this outperformance were ETHI's Information Technology and Healthcare stocks, which contributed 3.8% and 2.4% respectively to the ETF's return over the quarter. One of the top performing stocks was Apple, which contributed 1.07% to the quarterly return.

The key sectors detracting from performance were Consumer Staples and Materials, which contributed only -0.03% and 0.01% to the ETF's return over the quarter. Some of the worst performing stocks included Tesla (-0.13% contribution to the quarter), Applied Materials (-0.12%) and Tokyo Electron (-0.08%).

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<sup>1</sup> As a proxy for the market we compared the performance to the SPDR S&P World Ex Australia Fund (ticker WWOZ)