



WATERSHED

Funds Management



Superior



SQM Rating: Watershed Multi Asset Portfolio's receive "Superior" rating

We are pleased to announce that the Watershed Multi-Asset Portfolio suite has received a **4-star "Superior" rating** from investment research house SQM. A 4-star rating recognises the Portfolio as High Investment Grade and acknowledges that it has the following features:

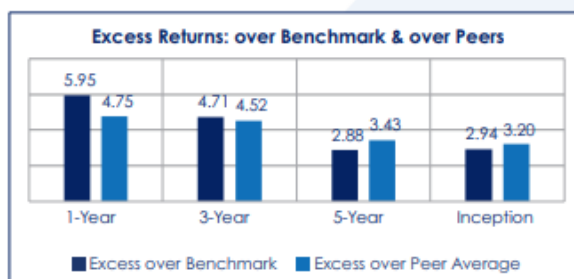
- An appreciable potential to outperform over the medium-to-long term
- Historical performance that has been meaningful
- PDS compliance processes that are strong
- Very little to no corporate governance concerns
- Management of a high calibre

Our Balanced Portfolio was the focus of the report and has been the number one performer in its multi-asset class for a long period of time. It has been a material outperformer and protector of capital in large market drawdowns such as earlier this year and during the Covid pandemic.

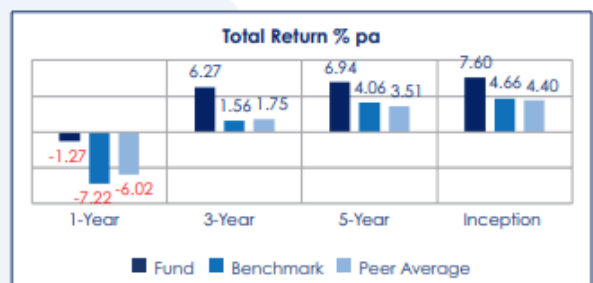
These features are highlighted in the detailed Quantitative analysis of the fund which highlights the fact that:

- Our **returns** have been superior across all periods when compared with benchmark and relative to peers:

Excess Returns (Alpha)



Returns





- Our average **drawdowns** have been better than the benchmark and better than the peer average:

Drawdowns			
Drawdown Summary			
Drawdown Size (peak-to-trough)			
	Fund	Bench	Peers
Average	-2.89%	-3.21%	-3.40%
Number	13	11	12
Smallest	-0.34%	-0.03%	-0.25%
Largest	-13.62%	-12.29%	-13.62%
Length of Drawdown (in months)			
	Fund	Bench	Peers
Average	3.2	4.1	4.8

- We have consistently shown the ability to capture more **market upside** than our peers and less **market downside**:

Upside/Downside Capture				
	Downside Capture		Upside Capture	
	3 years	Inception	3 years	Inception
Fund	83.7%	100.7%	122.6%	126.1%
Peer Average	92.9%	94.0%	95.8%	94.6%

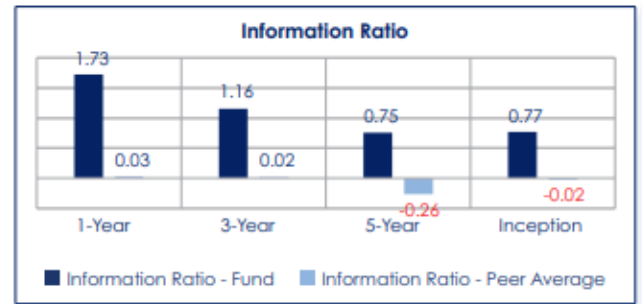
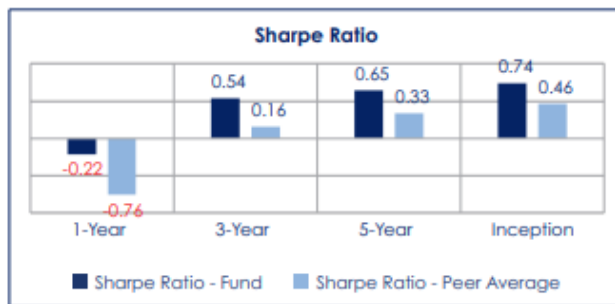
- In extreme **market sell-offs** since inception our fund has out performed in every single time period and by an accumulated **35.23%**:

Extreme Market Returns vs Fund Return Same Month				
Index: S&P/ASX 300 TR				
From Jun-16 to Oct-22				
Rank	Date	Market	Fund	Difference
1	Mar-20	-20.83%	-10.45%	+10.38%
2	Jun-22	-8.97%	-4.63%	+4.34%
3	Feb-20	-7.76%	-3.54%	+4.22%
4	Jan-22	-6.45%	-1.86%	+4.59%
5	Sep-22	-6.29%	-3.28%	+3.01%
6	Oct-18	-6.16%	-4.84%	+1.32%
7	Mar-18	-3.73%	-2.46%	+1.27%
8	Sep-20	-3.59%	-0.88%	+2.71%
9	May-22	-2.76%	-1.58%	+1.18%
10	May-17	-2.74%	-0.54%	+2.20%
Totals		-69.29%	-34.06%	+35.23%



- Our **risk-adjusted returns** have been consistently better than our peer group:

Risk-Adjusted Returns



If you would like to receive a copy of the report please contact our BDM Shantelle Lay:

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Watershed Funds Management

Watershed Funds Management is a specialist Managed Account provider and has been a pioneer in the delivery of Managed Account (MDA & SMA) solutions to financial advisers. Watershed leverages the expertise of a highly credentialed investment team to form a global thematic view that determines asset class and sector allocations.

Our investment committee structure differs for each Managed Account (SMA) and is chaired by an individual with niche expertise and a proven track record for managing portfolios within that asset class. With a research process that is both rigorous and thorough we have been able to deliver strong historical returns across our full suite of SMA's.

An investment in a Watershed SMA provides professional and active investment management with full transparency of holdings, transactions and structure. Watershed seeks to form a collaborative relationship with advisers, actively communicating portfolio strategy in the current market environment so that advisers are better equipped to communicate with their clients.



Disclaimer

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