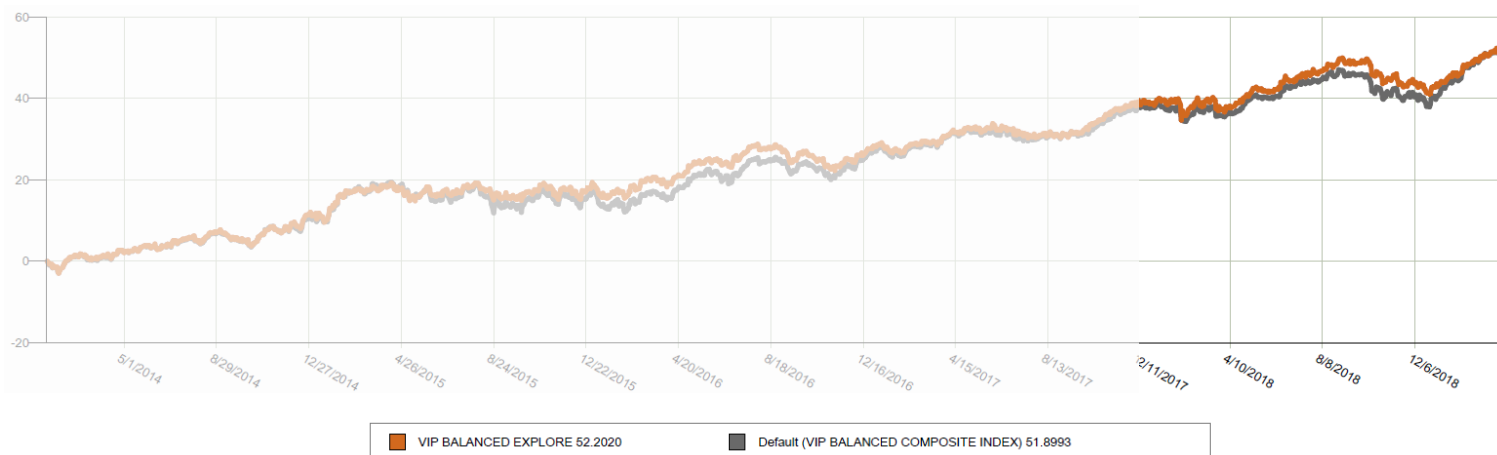


Investment Objective

The aim of the **VIP Balanced eXplore Portfolio** is to provide a combination of capital growth and income over the medium to long term from investment through exposure to a diversified portfolio of ETF's tracking major indices, while providing low management costs to investors. The investments are identified through our quantitative and qualitative models with a balance of growth assets (60% allocation to Australian Shares, International shares, and property securities) and defensive assets (40% allocation to fixed interest and cash) in order to provide the desired investment risk profile and returns.

The portfolio is composed of exposure to asset class indices, following prices movements of Australian Shares, Listed Investment Companies (LICs), Government and Semi Government Bonds, Corporate Bonds, Term Deposits and Cash. A targeted tactical allocation as well as regular performance and risk screenings are employed by Value Investment Partners in order to maximise investor wealth and mitigate volatility experienced by relevant equity and debt markets.

Total Portfolio Performance (%)



*The VIP Balanced Composite Index comprises of; 35% S&P/ASX 200 Index, 15% MSCI World Index Ex-Australia, 10% S&P/ASX 200 AREIT Index, 10% Bloomberg AusBond Bank Bill Index, and 30% Bloomberg AusBond Composite 0+ Yr Index.

*The portfolio is backdated from the inception date of 02/01/2018 (shaded graph area) to test the investment philosophy of actively managed tactical asset allocation, for which the asset allocation changes are reflective of real historical changes of the existing VIP Balanced Portfolio.

Portfolio Performance Review

The VIP Balanced eXplore portfolio generated a 1.78% return **pre-fees** in March, and 6.51% return pre-fees in the quarter. Over the last year the portfolio has generated a 10.88% return pre-fees and underperformed by 0.96% against the benchmark. The **post-fees** return for the portfolio is shown in blue in the table below.

Trailing Returns Against The Benchmark

	1 Month	3 Month	6 Month	1 Year	*3 Year	*5 Year
VIP Balanced eXplore Gross Returns	1.78	6.51	1.96	10.88	11.97	12.41
VIP Balanced eXplore Net Returns	1.76	6.44	1.81	10.58	11.67	12.11
VIP Balanced Composite Index	1.72	8.12	4.05	11.85	13.40	12.46

*Backdated as of 02/01/2018

Economic & Market Commentary

Domestic and international markets have been highly volatile over the month of March. With mixed economic results coming out of key international markets and Australia and the day-to-day shifting between pessimism and optimism regarding the global business and trade environment, the bulls and bears have come out strong to deliver a relatively flat month for markets. With the S&P/ASX 200 index recording a 0.79% rise with slightly higher results coming from major international indices such as a 2.97% return from the S&P 500 index in the USA, a 0.55% increase from the Nikkei 225 index out of Japan, and a 3.43% rise from the FTSE 100 from the UK.

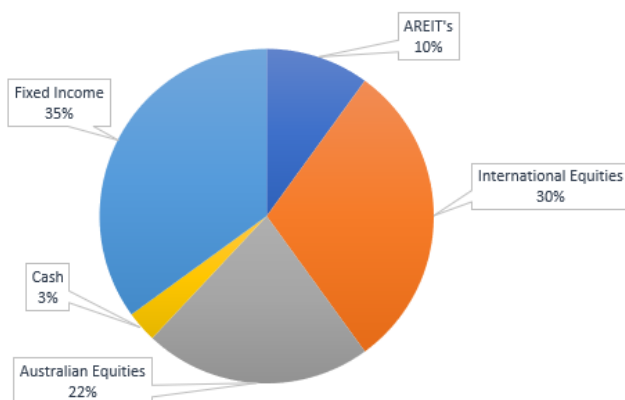
Much of the economic and political activity over the month of March was very much 'business as usual' with continued uncertainty around the US-China trade talks and Brexit. Although there has been a considerable amount of noise out of these spaces little ground has been made to coming to solutions for these two massive diplomatic and political challenges that the wave of populism in major economies has fostered. In regards specifically to Brexit the British Parliaments complete incapability to see eye to eye on almost all key measures concerning the divorce from the European Union has in some cases caused the progress of the negotiations to reverse. All things considered many investors are now impatiently waiting for some form of definitive decision making regarding these two key global events, as regardless to the short-term headwinds felt by markets on any form of final decision, in the medium-long term markets will highly likely adjust and continue to grow once business and trade certainty is given.

In Australia the release of the budget was a win for the coalition although it is unlikely to be enough to significantly influence their chances of retaining government after the next election scheduled to be sometime in May. Although the coalition has used its strong budget to attempt to buy votes with big spending and one-off cash payments to low-medium income families to reduce the cost of living pressures the opposition party has come out with its own spending policies with the extra money provided by the stronger budget position. The latest Newspoll has the Coalition at 48% and Labor at 52% on a two-party preferred vote, with the Coalition overtaking Labor on the primary vote now at 38% and 37% respectively. Although many investors are concerned with a Labor government much of the headwinds of a Shorten Prime Minister has been priced into the markets and it is unlikely that an overly strong negative reaction in the markets will result after election night.

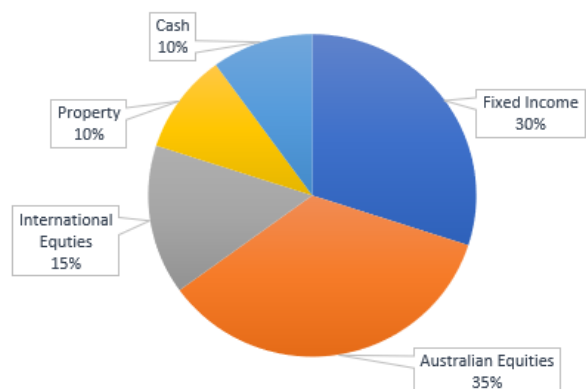
What does this mean for investors? A positive US-China trade outcome and a Brexit withdrawal agreement will continue to return certainty of the world trading system and boost equities markets. Positive or neutral economic data from key economies will dull down worries of a recession in the near term and continue to give support in financial markets. Giving reasons for continued optimism and bullishness further into 2019.

Tactical Asset Allocation & Benchmark Asset Allocation

Balanced eXplore Allocation



Balanced Composite Benchmark Allocation

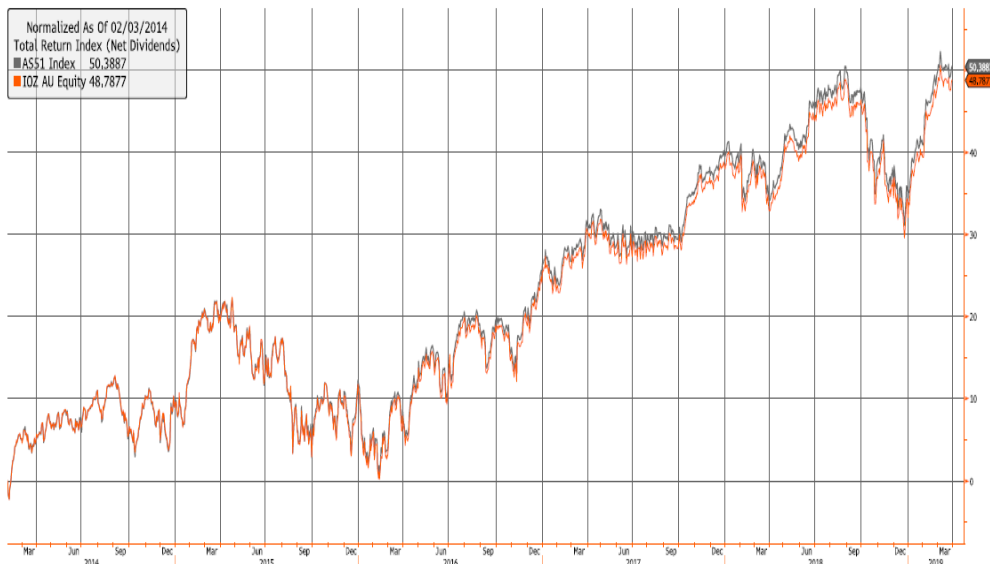


iShares Core S&P/ASX 200 ETF

The S&P/ASX 200 Accumulation Index is a free-float-adjusted, market cap weighted index. It is Australia's best known stock market benchmark and covers 80% of Australian equity market capitalisation. iShares employs a full-replication approach, aiming to own every stock in the benchmark and thereby deliver portfolio and performance outcome that closely resembles the index.

Top 10 Holdings & Performance Chart

<i>Commonwealth Bank of Australia</i>	7.70%
<i>BHP Group Ltd</i>	6.43%
<i>Westpac Banking Corp</i>	5.50%
<i>CSL Ltd</i>	5.29%
<i>ANZ Banking Group Ltd</i>	4.71%
<i>National Australia Bank Ltd</i>	4.10%
<i>Macquarie Group Ltd</i>	2.41%
<i>Woolworths Group Ltd</i>	2.32%
<i>Wesfarmers Ltd</i>	2.29%
<i>Telstra Group Ltd</i>	2.26%

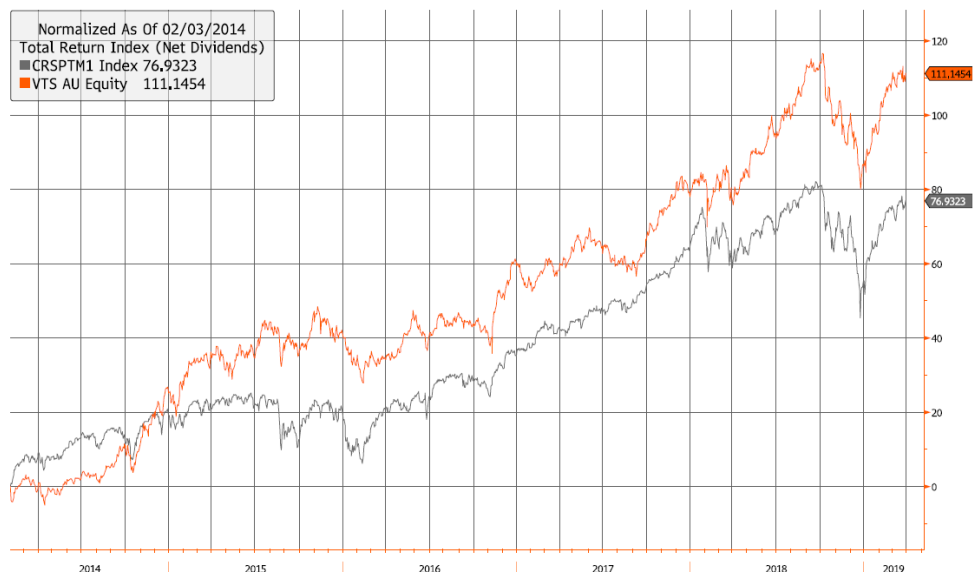


Vanguard US Total Market Shares ETF

The US stock market is the most liquid and deep in the world. It is well over half of global equities measured by overall market capitalisation. The S&P 500 is the commonly used cap-weighted benchmark, which sticks to larger caps with some exposure to mid-cap securities. The Vanguard US Total Market Share ETF tracks the CRSP US Total Market Index, a free-float-adjusted market-cap weighted index of more than 3,500 US stocks. The ETF has substantial indirect global exposure through stakes in multinational firms with a large chunk of underlying US companies' asset-weighted revenue generated outside the US.

Top 10 Holdings & Performance Chart

<i>Microsoft Corp</i>	2.93%
<i>Amzaon.com Inc</i>	2.59%
<i>Apple Inc</i>	2.58%
<i>Facebook Inc A</i>	1.45%
<i>Berkshire Hathaway Inc B</i>	1.41%
<i>Johnson & Johnson</i>	1.30%
<i>JPMorgan Chase & Co</i>	1.25%
<i>Alphabet Inc A</i>	1.22%
<i>Alphabet Ince Class C</i>	1.20%
<i>Exxon Mobil Corp</i>	1.13%

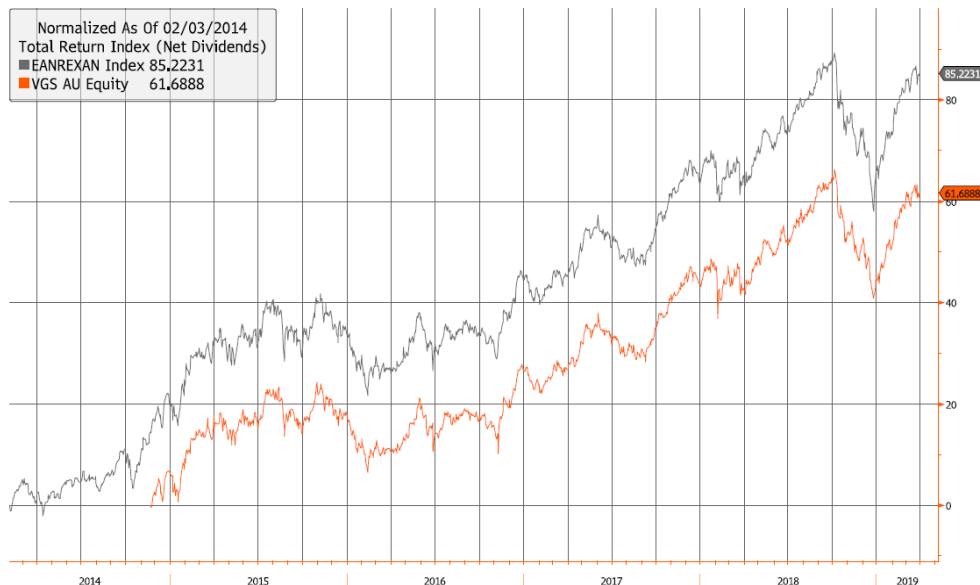


Vanguard MSCI Index International Shares ETF

Vanguard MSCI Index International Shares ETF (VGS) offers a diversified global portfolio for an extremely low cost. VGS aims to track the MSCI World ex-Australia Accumulation Index, a free-float-adjusted, market-cap-weighted world index. VGS employs a full-replication approach, although some deviation is allowed where trading costs would be prohibitive.

Top 10 Holdings & Performance Chart

Apple Inc	2.14%
Microsoft Corp	2.12%
Amazon.com Inc	1.77%
Facebook Inc A	1.01%
Johnson & Johnson	0.95%
Alphabet Inc Class C	0.91%
JPMorgan Chase & Co	0.90%
Alphabet Inc A	0.87%
Exxon Mobil Corp	0.86%
Nestle SA	0.73%

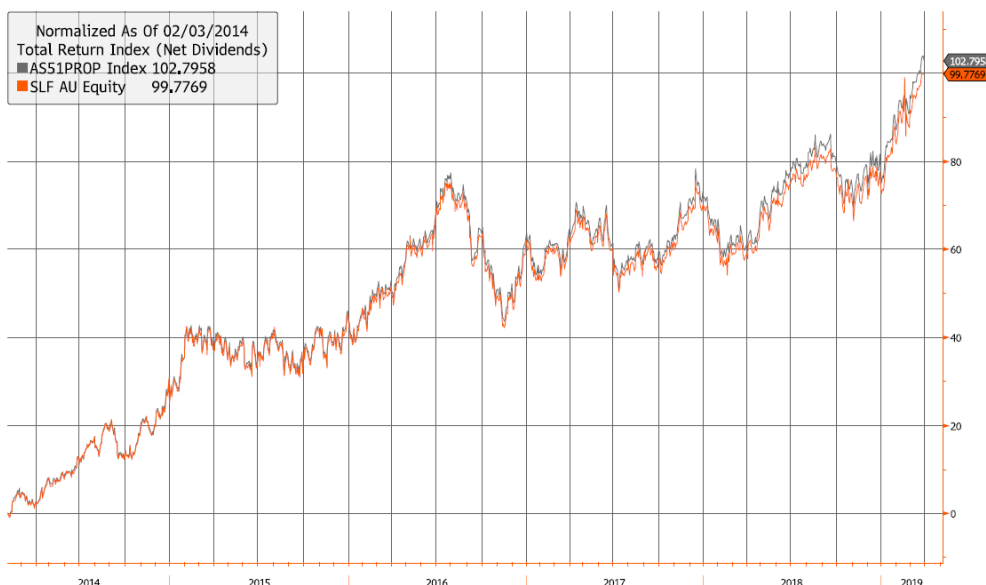


SPDR S&P/ASX 200 Listed Property ETF

SPDR S&P/ASX 200 Listed Property ETF aims to fully replicate the S&P/ASX 200 A-REIT Index. The ETF is by far the longest running and one of the largest REIT ETF's in Australia, which helps it maintain trading levels far above most rivals. The benchmark comprises predominantly by 20 large-cap listed companies with Scentre Group and Westfield commanding the top holdings.

Top 10 Holdings & Performance Chart

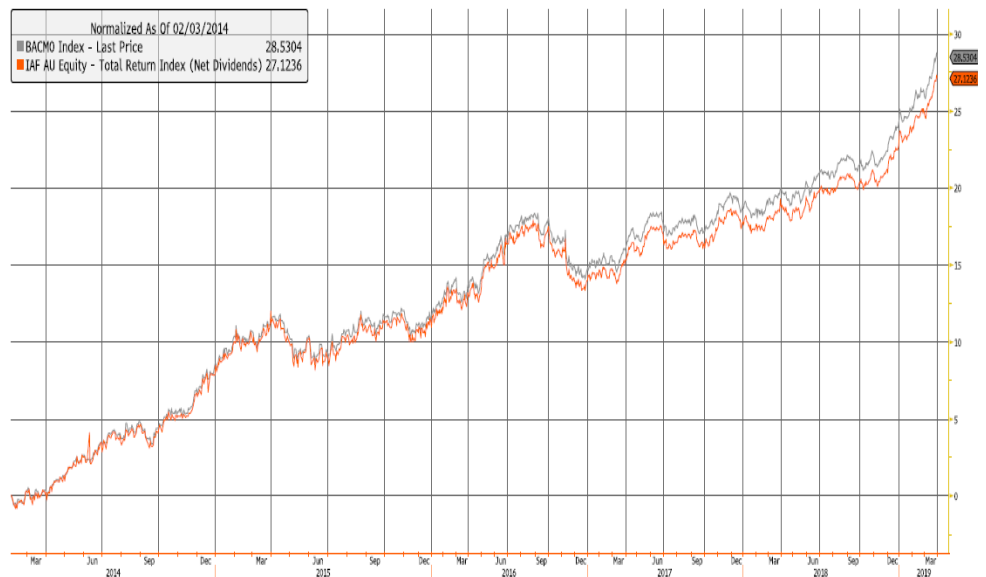
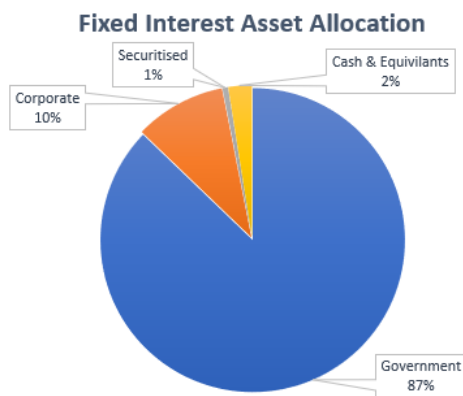
Goodman Group	18.01%
Scentre Group	17.87%
Dexus	10.67%
GPT Group	9.30%
Mirvac Group	8.32%
Stockland Corp Ltd	7.52%
Vicinity Centers Unit	6.87%
Unibail-Rodamco-Westfield	4.12%
Charter Hall Group	3.62%
Shopping Centers Australasian Property	1.83%



iShares Core Composite Bond ETF

The iShares Core Composite Bond Tracks the Bloomberg AusBond Composite Index, which comprises of investment-grade Australian dollar debt of governments, government agencies, and corporations. The index is dominated by securities issued by the Australian Commonwealth Government, Australian state, territories, and supranational organization. Focusing on keeping tracking error and transaction costs low, iShares typically achieves full replication of the government-bond component of the portfolio with strategies in place to tackle tracking and transaction cost issues arising in other areas of the portfolio with increased challenges associated with liquidity in the corporate and supranational exposures.

Fixed Income Asset Allocation & Performance Chart



Value Investment Partners Pty Ltd is a Corporate Authorised Representative (Representative No.: 409849) ABN 72 149 815 707 of Sterling Managed Investments Pty Ltd, Australian Financial Services Licensee (AFSL 340744). This document has been prepared for general information purposes only and not as specific advice to any particular person. Any advice contained in this document is General Advice and does not take into account any person's investment objectives, financial situation and particular needs. Before making any investment decision based on this advice, you should consider, with or without the assistance of a securities adviser, whether it is appropriate to your particular investment needs, objectives and financial circumstances. A Product Disclosure Statement and/or Investment Options Document on any financial product mentioned in this document should also be obtained and read prior to proceeding with an investment decision. Futuro Financial Services and its representatives may have an interest or associations with the product providers detailed in this report, and will be entitled to receive remuneration for the provision of personal financial product advice by means of commissions and/or fees and other benefits. If you proceed with personal advice, details of remuneration and associations will be detailed in full within a Financial Services Guide and Statement of Advice. Although every effort has been made to verify the accuracy of the information contained in this document, Futuro Financial Services Pty Ltd, its officers, employees and agents disclaim all liability (except for any liability which by law cannot be excluded), for any error, inaccuracy in, or omission from the information contained in this document or any loss or damage suffered by any person directly or indirectly through relying on this information