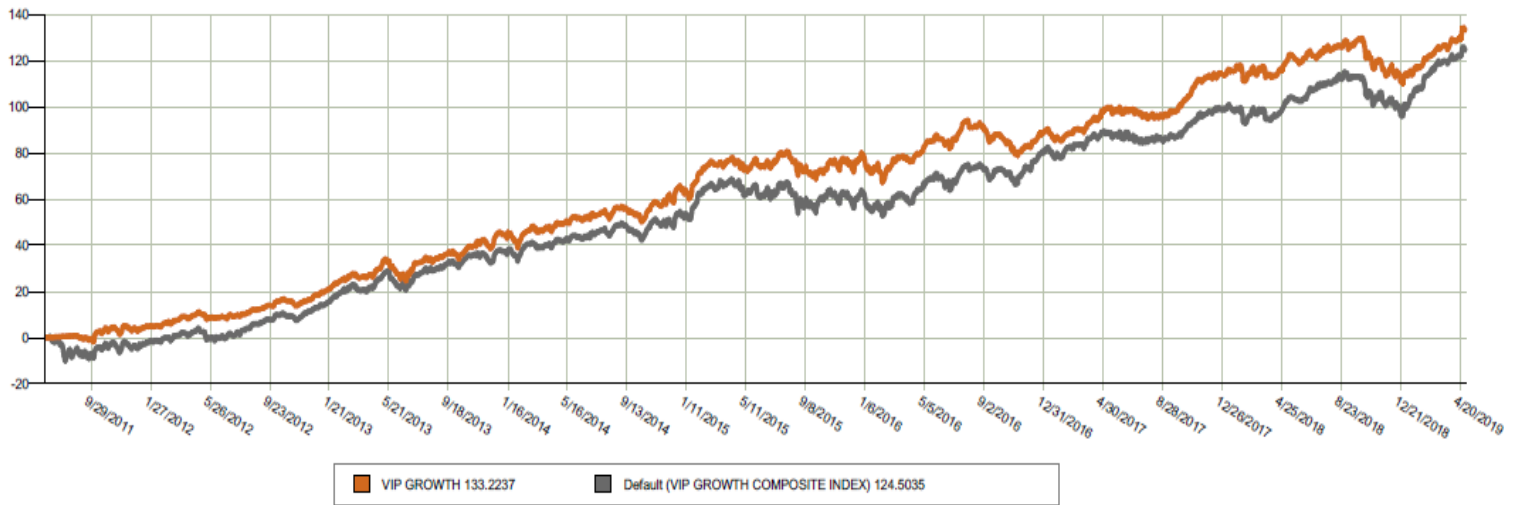


Investment Objective

The aim of the **VIP Growth Portfolio** is to provide investors high level of capital growth over the medium to long term through exposure to a diversified portfolio of investments, with a strong emphasis on growth assets (80% allocation to Australian shares, International shares, and property securities) and defensive assets (20% allocation to fixed interest and cash). The portfolio is composed of 30 – 60 securities and consists of ASX listed securities, Exchange Traded Funds (ETFs), Listed Investment Companies (LICs), Managed Funds, Government and Semi Government Bonds, Term Deposits and Cash.

Total Portfolio Performance (%)



Portfolio Performance Review

The VIP Growth portfolio generated a 2.90% return **pre-fees** in April, and 7.25% return pre-fees in the quarter. Over the last year the portfolio has generated a 7.00% return pre-fees and underperformed by 5.00% against the benchmark. The **post-fees** return for the *Investment* and *Superannuation & Pension* portfolios are shown in blue in the table below.

Trailing Percentage Returns Against the Benchmark

	1 Month	3 Month	6 Month	1 Year	3 Year	5 Year
VIP Growth Gross Returns	2.90	7.25	6.36	7.00	13.00	13.65
VIP Growth Super-Pension Net Returns	2.83	7.05	5.96	6.20	12.20	12.85
VIP Growth Investment Net Returns	2.79	6.91	5.69	5.65	11.65	12.30
VIP Growth Composite Index	1.88	8.12	9.79	12.00	15.89	14.13

	% End Weight	Tot Rtn 1M	Tot Rtn 3M	Tot Rtn 6M	Tot Rtn 1Y	Total Return YTD (%)	Tot Rtn 5Y (A)
VIP GROWTH	100.00	2.90	7.25	6.36	7.00	8.68	9.28
AREITs	12.36	0.09	10.83	10.83	10.83	10.83	14.80
Australian Equities	27.64	2.66	5.85	4.15	0.64	5.63	10.55
CASHLiquid	5.00	0.16	0.50	0.99	2.02	0.68	2.12
Fixed Income	15.00	0.71	1.82	2.12	3.57	2.63	4.11
International Equities	40.00	5.09	11.87	11.47	13.91	16.05	14.07

Economic & Market Commentary

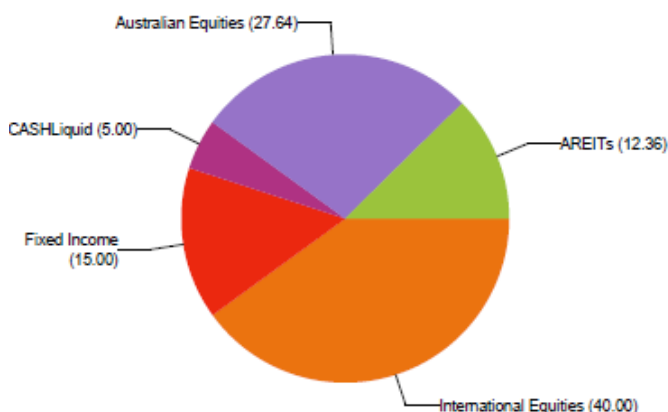
Domestic and international markets have been steadily positive over the month of April. Despite uncertainty still existent in the wider economy, data out of key countries has spurred on markets for the month. The US economy recorded its 103rd month of adding jobs to the economy, with 263,000 jobs in April. As such, the S&P 500 posted a 4.05% rise for the month. Japan's Nikkei 225 recorded a 4.97% result, and the UK's FTSE 100 2.31%. In Australia, the IMF forecasted Australia's real GDP to grow at an average rate of 2.7% per year between 2020 and 2024, the highest growth rate for advanced economies. The S&P/ASX 200 index recording a 2.37% rise, continuing the positive trend from last month.

Reports out of the US have stated that China has taken a backwards step in negotiations with the US regarding the trade war. While discussions have thus far been productive if not slow, US trade representative Robert Lighthizer has this week accused China of trying to change the text of the US-China agreement that was otherwise nearing its final stages. Typically, President Trump reacted erratically, tweeting that the current 10% tariff would rise to 25% and \$325 of untaxed goods could also face the 25%. His actions sent the Shanghai Composite down 5.6%, while the Dow Jones dipped 1.8% early before recovering to close down 0.3%. As a result of the UK extending Brexit until the 31st of October, they will participate in the European elections on the 23rd of May. Until October, the Brexit discussions so far would suggest we could easily see significant inaction until that date.

Meanwhile, Australia has been working its way through the last fortnight of the Federal Election, with Labor enforcing their focal point of a 'fair go' for Australia and that Morrison government is 'only for big end of town.' In contrast, the Coalition continues to push their message that only a Liberal-led government can be trusted to manage the Australian economy. Although consensus among investor groups has believed Labor will win for some time, the latest Newspoll suggests that the race is beginning to tighten with the results showing a 51% to Labor and a 49% to the Coalition, a 1% change towards the middle since the last poll. While a Labor government will no doubt be detrimental for the world of investment, it isn't believed that the market will see a prolonged period of doom given that a Bill Shorten-led Australia has been priced into the market since the leadership coup in the Coalition party.

While the world continues to post gains amidst uncertainty with the US-China trade war and Brexit, it can be said that there is much more reason for a positive outlook for 2019 if the parties involved are able to reach an agreement.

Tactical Asset Allocation & Risk/Return



Australian Shares Leaders Blend Portfolio Performance & Portfolio Adjustments

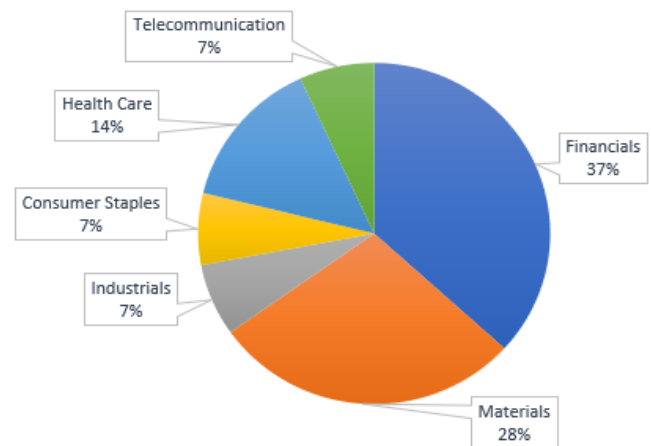
The VIP Australian Share Leaders portfolio generated 2.06% pre-fees return for the month and 4.20% over the last 3 months. The portfolio underperformed against the S&P/ASX 200 index over the month by 0.28% and underperformed by 5.14% over the quarter. Over the last year, the portfolio has generated a -1.97% return pre-fees underperforming the ASX 200 index by 12.51%. The **post-fees** returns for the *Investment* and *Superannuation & Pension* portfolios are shown in **blue** in the table below.

The **Top Contributors** were Treasury Wines Estates 15.20%, REA Group 6.96%, and Westpac Banking Group 6.13%. The **Top Detractors** were South32 -10.46%, Alumina -7.44%, and BHP Group -2.83%.

In April the Investment Committee sold half of the holding in Treasury Wine Estates to crystalize the gains made this month, and invested that weighting in Woolworths.

VIP Australian Share Leaders Blend Holdings & Sector Exposure

	% End Weight
VIP AUSTRALIAN SHARE LEADERS BLEND	100.00
WOOLWORTHS GROUP LTD	3.46
TREASURY WINE ESTATES LTD	3.48
ALUMINA LTD	3.60
WESTERN AREAS LTD	3.60
SANDFIRE RESOURCES NL	3.67
SONIC HEALTHCARE LTD	3.72
RAMSAY HEALTH CARE LTD	3.73
SEEK LTD	6.80
REA GROUP LTD	6.80
RESMED INC-CDI	7.00
SOUTH32 LTD	7.31
COMMONWEALTH BANK OF AUSTRAL	9.21
MACQUARIE GROUP LTD	9.24
WESTPAC BANKING CORP	9.25
AUST AND NZ BANKING GROUP	9.26
BHP GROUP LTD	9.89



International Shares Portfolio Performance & Portfolio Adjustments

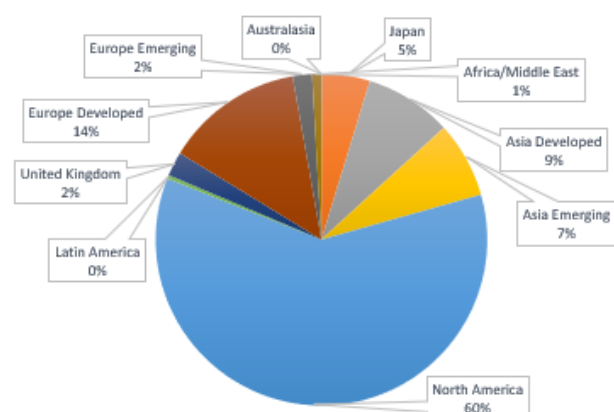
The VIP International Share Portfolio generated a 4.98% return for the month **pre-fees** and 10.92% over the last 3 months. In doing so the portfolio outperformed against the MSCI World Ex Aus (AUD) index by 0.42% for the month and underperformed by 1.10% over the quarter. Over the last year, the portfolio has generated a 12.82% return and underperformed against the index by 1.46%. The **post-fees** returns for the *Investment* and *Superannuation & Pension* portfolios are shown in **blue** in the table below.

The **Top Contributors** were Loftus Peak Global Disruption 6.50%, Magellan Global 5.02%, and Alliance Bernstein 4.99%. The **Top Detractors** was Platinum International 4.00%.

In April, the Investment Committee made no changes to the portfolio.

VIP International Equity Holdings & Region Exposure

	% End Weight
VIP INTERNATIONAL	100.00
BBG AUB Bank Bill	1.91
LOFTUS PEAK GLOBAL DISRUPTN	18.47
PLATINUM INTERNATIONAL FUND	19.80
ALLIANCEBERNSTEIN GLB EQ FD	29.82
MAGELLAN GLOBAL FD	30.00



Properties Security Portfolio Performance & Portfolio Adjustments

The VIP Property Securities portfolio generated a -0.10% return for the month **pre-fees** and 11.53% over the last 3 months. The portfolio outperformed the S&P/ASX 200 A-REIT index during the month by 2.46% and outperformed over the quarter by 6.21%. Over the last year, the portfolio has generated a 37.95% return and outperformed the index by 20.64%. The **post-fees** returns for the *Investment* and *Superannuation & Pension* portfolios are shown **in blue** in the table below.

The **Top Contributors** were Arena REIT 5.40%, Cromwell Property Group 2.74%, and Goodman Group - 1.42%. The **Top Detractor** was Charter Hall -4.48%. In April, the Investment Committee made no changes to the portfolio.

VIP Property Security Holdings & Risk/Return

	% End Weight
VIP PROPERTY SECURITIES	100.00
CROMWELL PROPERTY GROUP	19.30
DEXUS	19.35
ARENA REIT	20.19
GOODMAN GROUP	20.24
CHARTER HALL GROUP	20.92



Fixed Interest Portfolio Performance & Portfolio Adjustments

The VIP Fixed Interest portfolio generated a 0.40% return for the month **pre-fees** and 2.77% over the last 3 months. This was against the Bloomberg AusBond Composite index return of 0.28% over the month and 3.07% over the quarter. The portfolio outperformed the index by 0.12% over the month and underperformed by 0.30% over the last 3 months. The **post-fees** returns for the *Investment* and *Superannuation & Pension* portfolios are shown **in blue** in the table below.

The **Top Contributor** was Realm High Income Fund 0.71%. The **Top Detractor** was iShares Composite Bond Fund 0.30%. In April, the Investment Committee made no changes to the portfolio.

VIP Fixed Interest Holdings & Returns

	% End Weight	Tot Rtn 1M	Tot Rtn 3M	Tot Rtn 6M	Tot Rtn 1Y	Total Return YTD (%)	Tot Rtn 5Y (A)
VIP FIXED INTEREST	100.00	0.40	2.77	4.59	6.71	3.57	3.32
REALM HIGH INCOME FUND-WHL	24.53	0.71	1.82	2.12	3.57	2.63	4.11
ISHARES CORE COMPOSITE BOND	75.47	0.30	3.08	5.41	7.77	3.88	2.99

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