



Investment Objective

The aim of the **VIP Balanced Portfolio** is to provide investors with a combination of capital growth and income over the medium to long term from investment within a diversified portfolio of growth assets (60% allocation to Australian shares, International shares, and property securities) and defensive assets (40% 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.

Investment Strategy

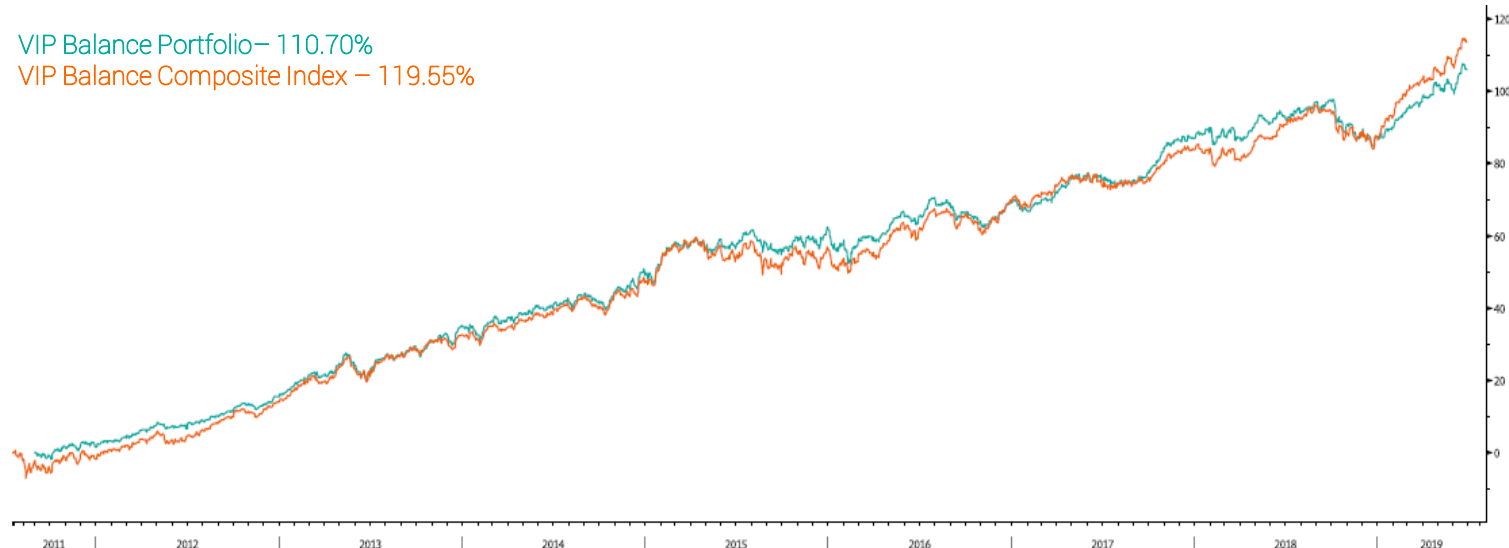
Using the principles of diversification, Value Investment Partners' multi-asset products use a specific blend of inhouse asset class specific portfolios – Australian Share Leaders, International Securities, Property Securities, and Fixed Interest – to develop an 'all weather' fund designed to accrue and protect wealth in any market environment. Using tactical asset allocation, Value Investment Partners constructs the optimal portfolio of a variety of asset classes to control market risk exposure and take advantage of opportunities in a large investable universe. The resultant portfolio contains the same underlying investments as Value Investment Partners' inhouse portfolios while actively managing allocation to broader asset classes to ensure that investors' money is poised to appreciate from identified macroeconomic and market trends by the team of investment specialists.

Fund Performance

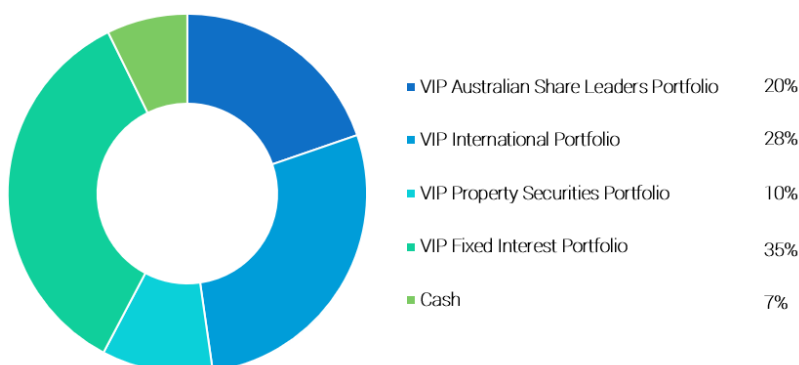
	1 Month	3 Months	6 Months	Y.T.D.	1 Year	3 Years	5 Years	7 Years	Since Inception
Gross Returns	2.89%	4.63%	9.93%	9.93%	7.84%	11.51%	12.00%	14.60%	14.76%
Net Returns	2.82%	4.43%	9.53%	9.53%	7.04%	10.71%	11.20%	13.80%	13.96%
Benchmark Returns	2.76%	4.67%	12.93%	12.93%	11.10%	10.30%	10.62%	14.76%	15.94%

VIP Balance Portfolio – 110.70%

VIP Balance Composite Index – 119.55%



Asset Allocation



Fund Characteristics

Inception Date	30 th June 2011
Investment Horizon	5 – 7 Years
Asset Class	Multi-Asset
Management Style	Active
Current Number of Holdings	29
Index Benchmark	VIP Balanced Composite



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.

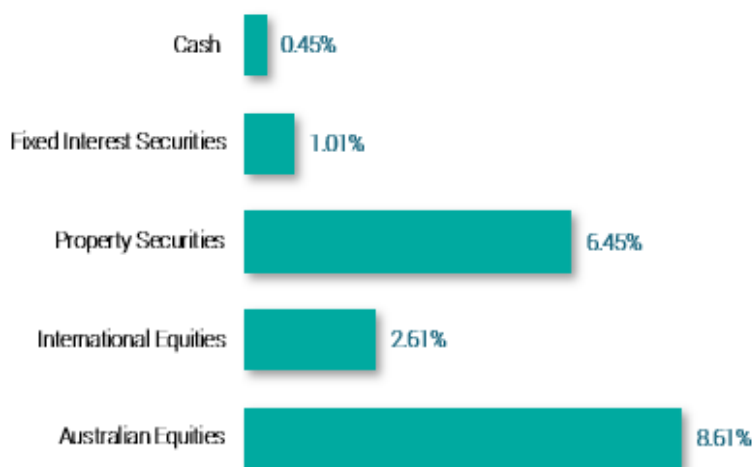
Reports out of the US have stated that China has taken a backwards step in negotiations with the US regarding the trade war. While discussions have thus far been productive if not slow, US trade representative Robert Lighthizer has this week accused China of trying to change the text of the US-China 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.

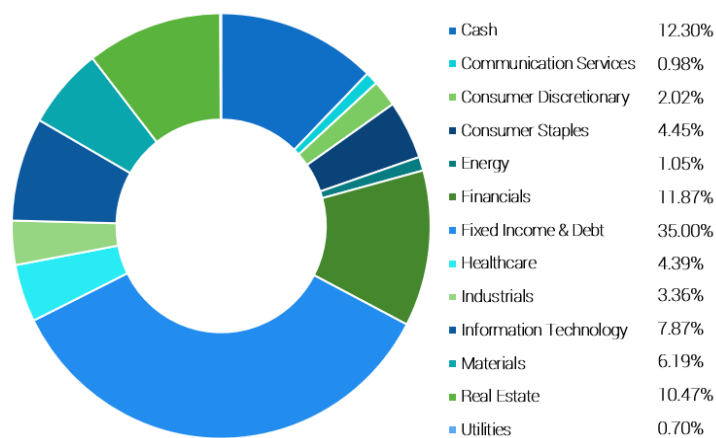
While the world continues to post gains amidst uncertainty with the US-China trade war and Brexit, it can be said that there is much more reason for a positive outlook for 2019 if the parties involved are able to reach an agreement.



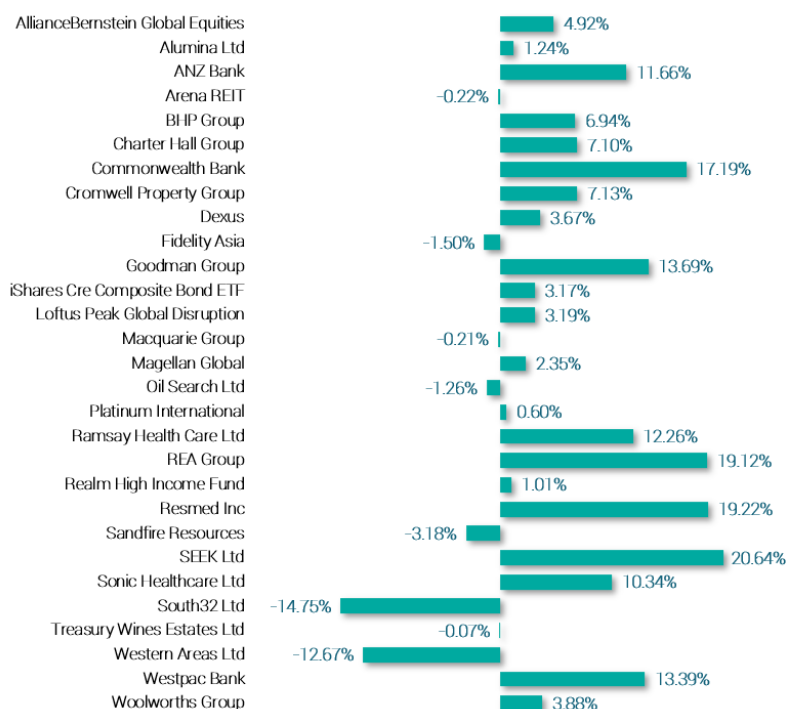
3 Month Asset Class Performance



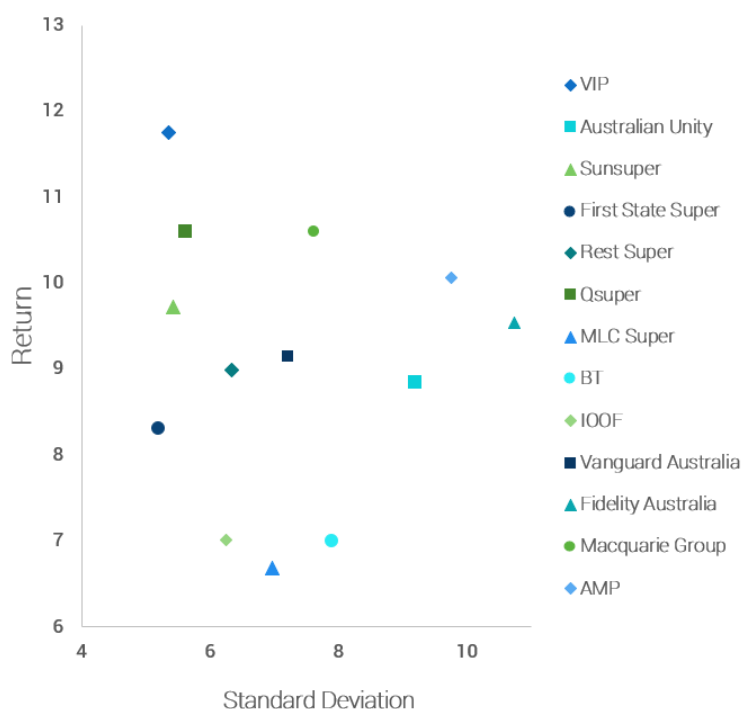
Current Sector Allocation



3 Month Holdings Performance



5 Year Risk/Return Profile



Upside & Downside Capture Ratio

3 Month
Upside
Capture

88%

3 Month
Downside
Capture

88%

78%

5 Year
Upside
Capture

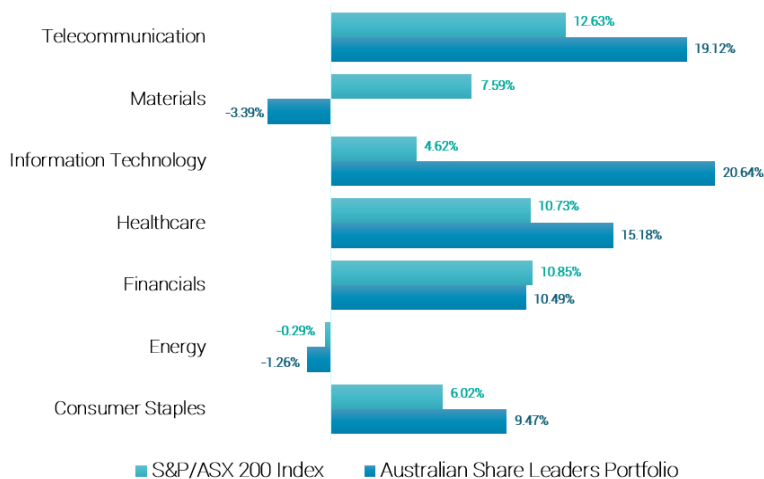
75%

5 Year
Downside
Capture

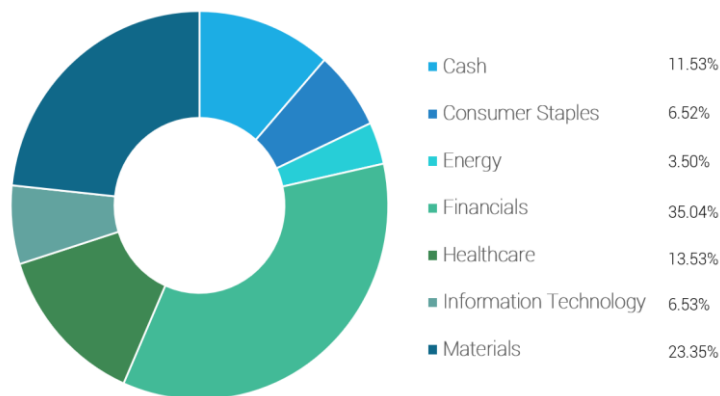


Australian Share Leaders Portfolio Performance

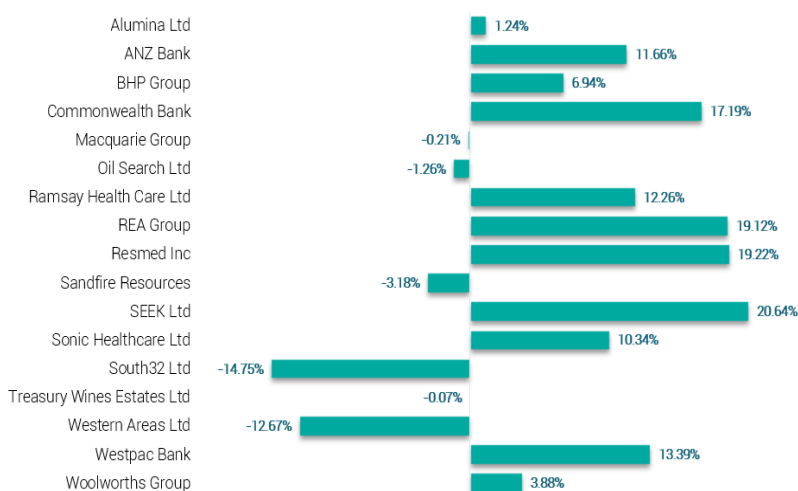
3 Month Sector Performance



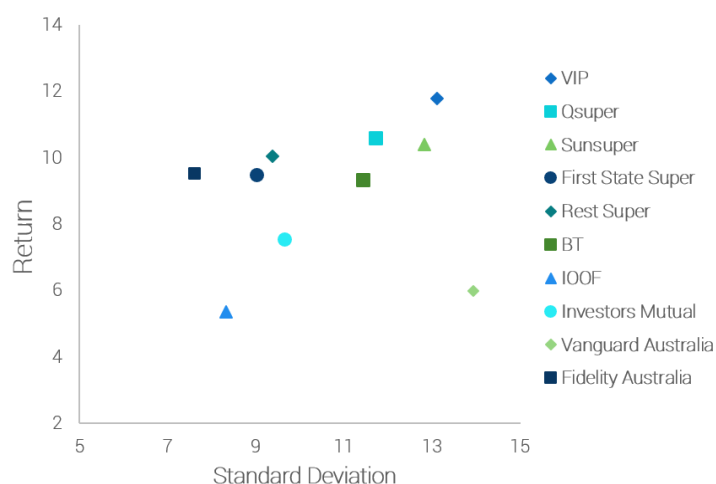
Current Sector Allocation



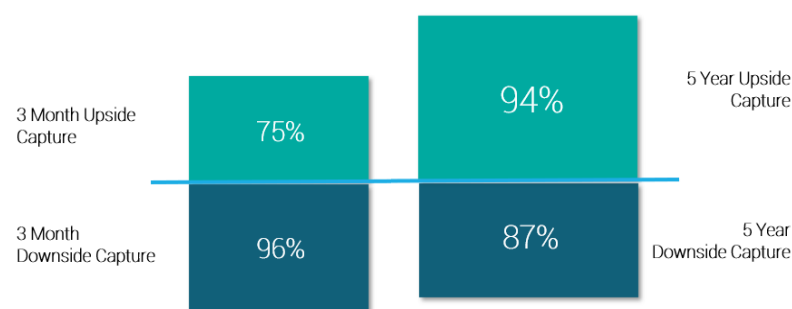
3 Month Holdings Performance



5 Year Risk/Return Profile



Upside & Downside Capture Ratio



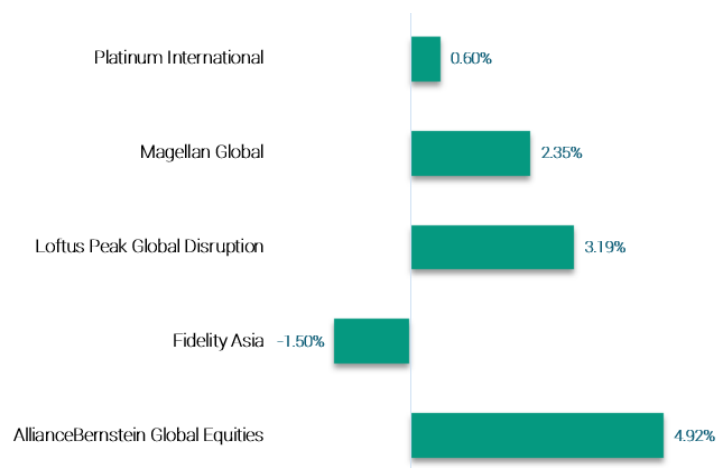
Fund Characteristics

Inception Date	30 th June 2011
Investment Horizon	5 – 7 Years
Asset Class	Australian Equities
Management Style	Active
Current Number of Holdings	15
Average Market Capitalisation	\$46.83 Billion
Index Benchmark	ASX/S&P 200
Index Average Market Capitalisation	\$9.9 Billion

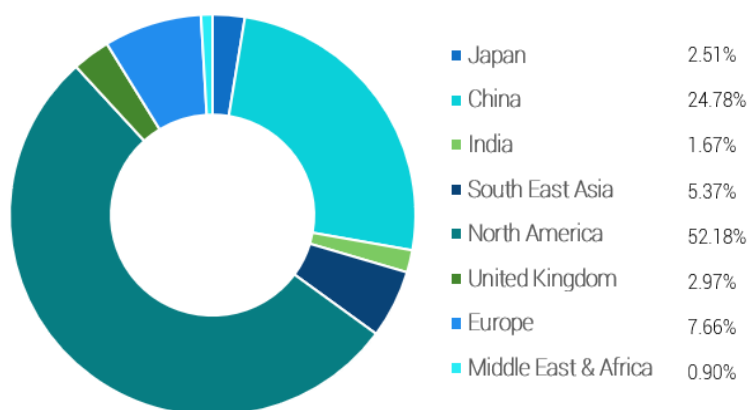


International Securities Portfolio Performance

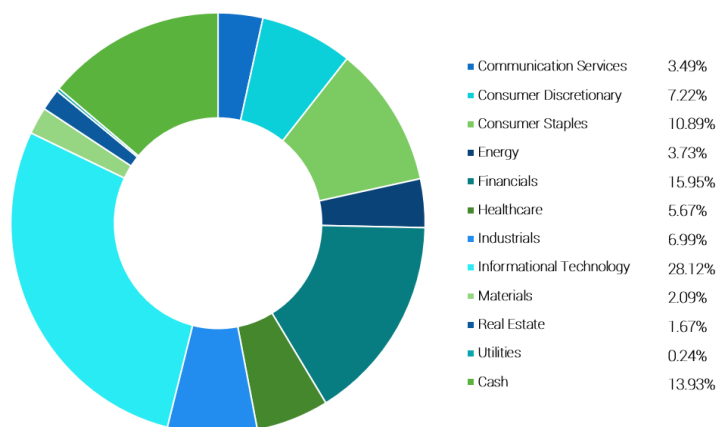
3 Month Fund Member Performance



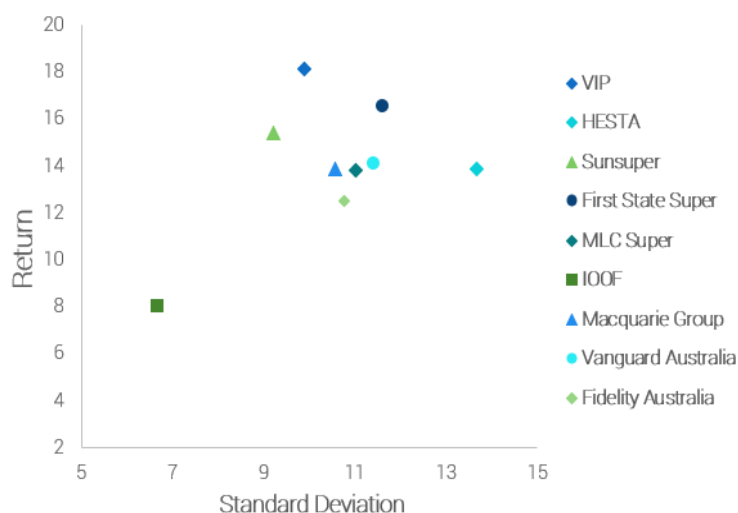
Current Geographical Allocation



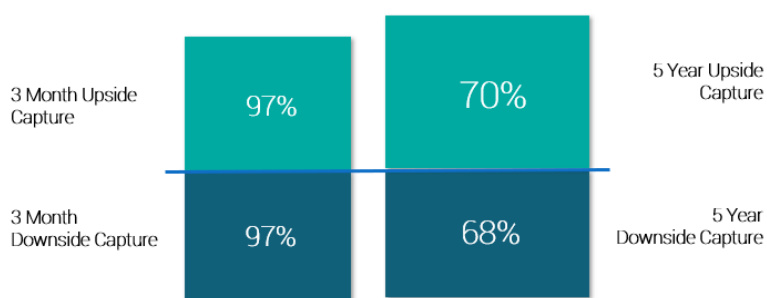
Current Sector Allocation



5 Year Risk/Return Profile



Upside & Downside Capture Ratio



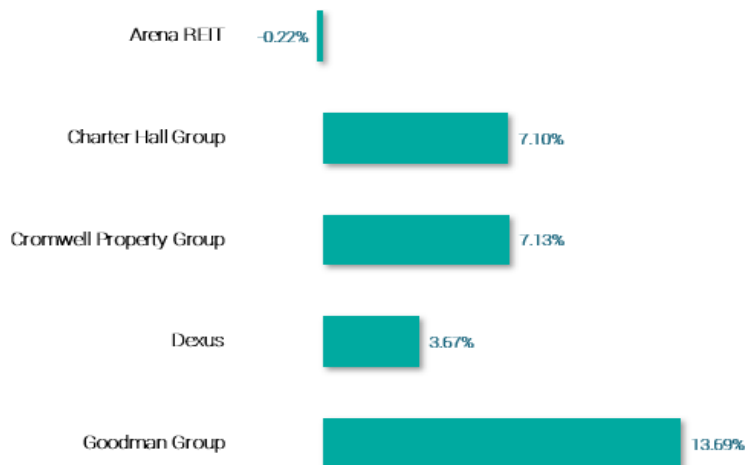
Fund Characteristics

Inception Date	30 th June 2011
Investment Horizon	5 – 7 Years
Asset Class	International Equities
Management Style	Active Long Only
Current Number of Holdings	4
Index Benchmark	MSCI World Ex Australia
Index Average Market Capitalisation	\$25.50 Billion (USD)

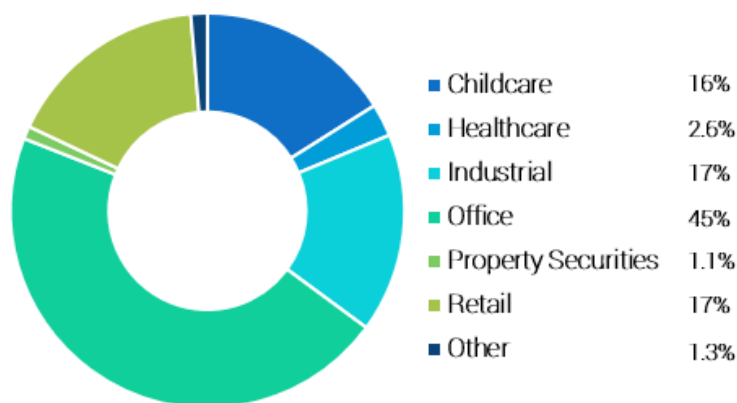


Property Securities Portfolio Performance

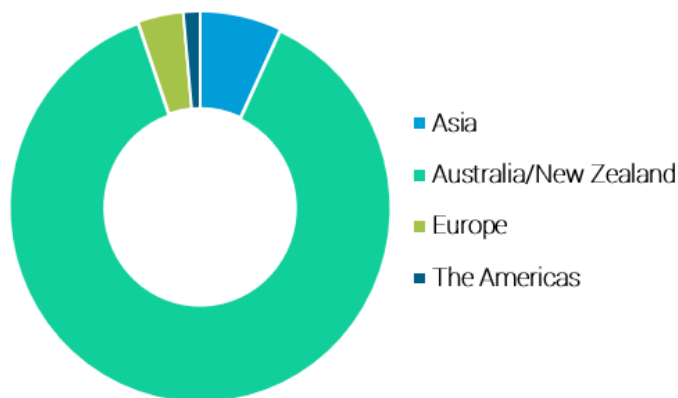
3 Month Holding Performance



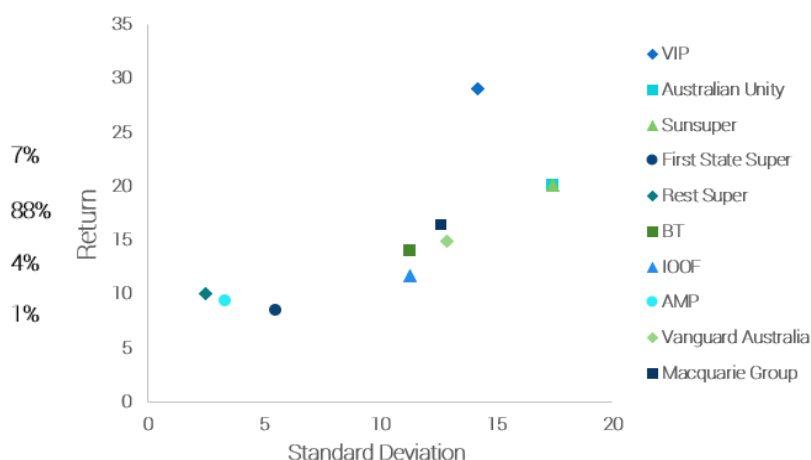
Current Property Sector Allocation



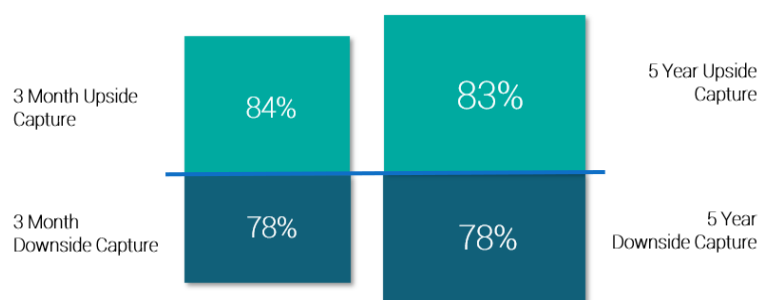
Current Geographical Allocation



5 Year Risk/Return Profile



Upside & Downside Capture Ratio



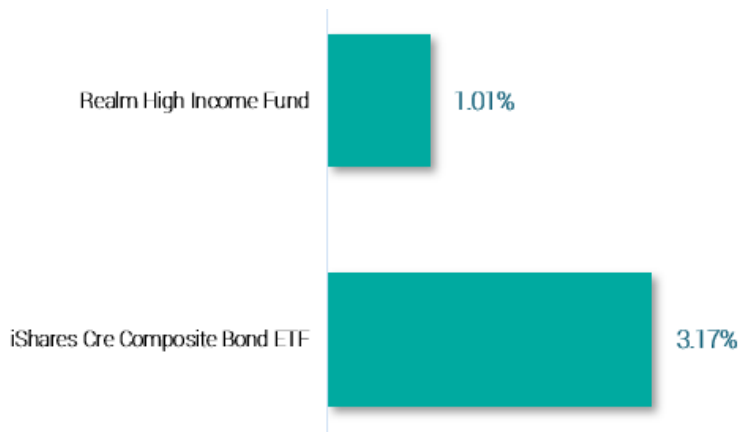
Fund Characteristics

Inception Date	30 th June 2011
Investment Horizon	5 – 7 Years
Asset Class	A-REIT
Management Style	Active
Current Number of Holdings	5
Average Market Capitalisation	\$9.98 Billion
Index Benchmark	ASX/S&P 200 A-REIT
Index Average Market Capitalisation	\$7.59 Billion

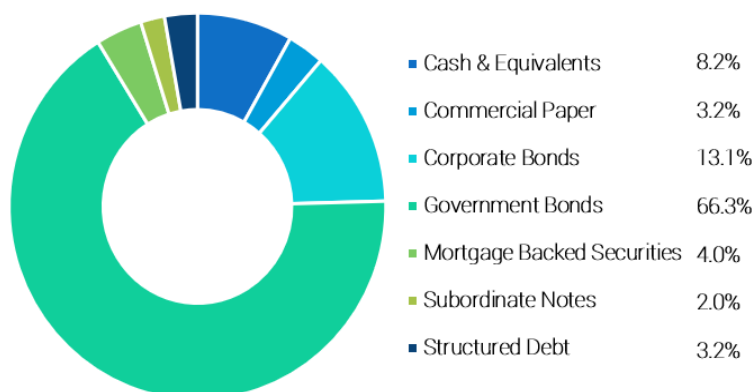


Fixed Interest Portfolio Performance

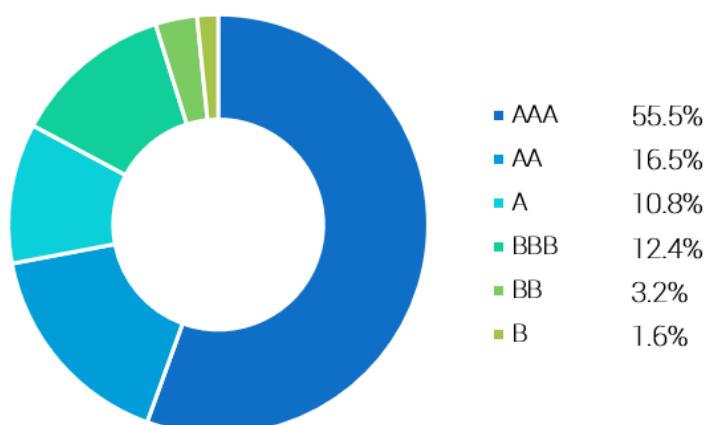
3 Month Holdings Performance



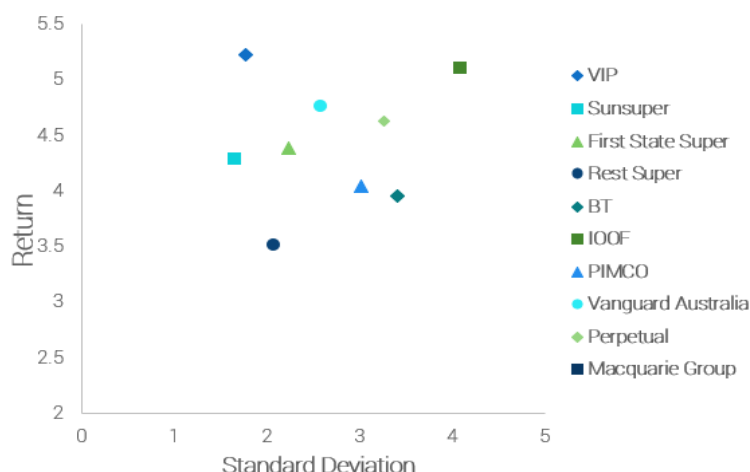
Current Asset Allocation



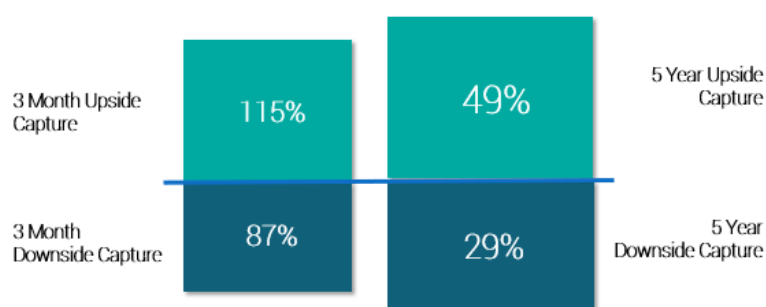
Current Credit Quality



5 Year Risk/Return Profile



Upside & Downside Capture Ratio



Fund Characteristics

Inception Date	30 th June 2011
Investment Horizon	5 – 7 Years
Asset Class	Fixed Income
Management Style	Active
Current Number of Holdings	2
Index Benchmark	BACMO

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