



Investment Description

The aim of the **VIP Conservative Portfolio** is to provide investors with a reliable income stream with the potential for moderate capital growth over the medium to long term from investment within a diversified portfolio heavily weighted to defensive assets and holding some growth assets.

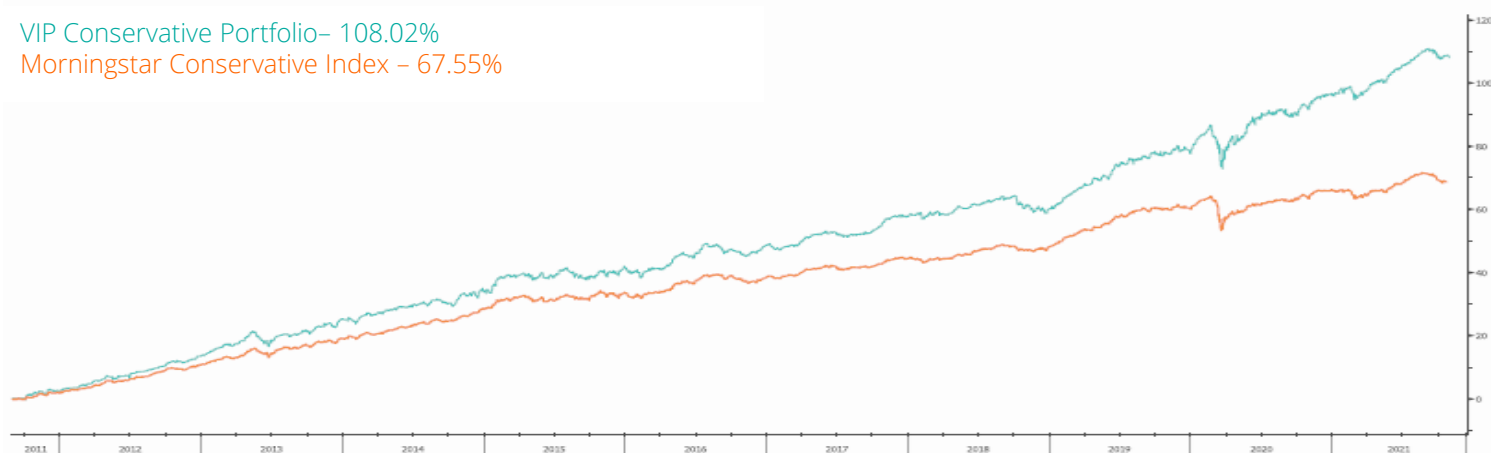
Portfolio Updates

In October, the Investment Committee made the decision to sell down high PE exposures including CSL, ResMed, Telstra, and Western Areas reflecting our concern with rising inflation. The Committee also decided to remove our holdings in Arena REIT, Goodman Group and Loftus Peak. We also participated in buy backs conducted by Commonwealth Bank and Woolworths.

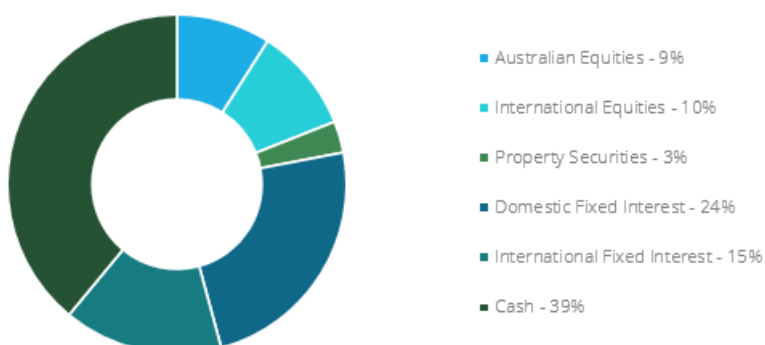
Portfolio Performance

	1 Month	3 Month	6 Month	Y.T.D.	1 Year	3 Year (p.a.)	5 Year (p.a.)	7 Year (p.a.)	Inception (p.a.)
Gross Returns	-0.11%	0.31%	3.64%	6.21%	8.38%	9.09%	7.40%	6.75%	7.67%
Net Returns	-0.18%	0.11%	3.24%	5.74%	7.58%	8.29%	6.60%	5.95%	6.87%
Benchmark Returns	-0.90%	-1.62%	1.06%	1.18%	2.64%	4.49%	4.09%	4.24%	5.34%

VIP Conservative Portfolio – 108.02%
Morningstar Conservative Index – 67.55%



Portfolio Asset Allocation



Sector Allocation

