



Investment Objective

The aim of the **VIP Diversified eXplore Portfolio** is to provide investors a high level of capital growth over the medium to long term through exposure to a diversified portfolio of ETF's tracking major indices, while providing low management costs to investors. The investments have a diversified exposure to growth and defensive assets in order to provide the desired investment risk profile. 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.

Investment Strategy

Value Investment Partners eXplore product enable investors to benefit from the principle of asset allocation having the majority of the contribution to excess returns rather than individual stock selection. By using the firms proven expertise of tactical asset allocation investors are able to gain exposure to a wide variety of asset classes through indexed exchange traded funds actively managed by our team of investment professionals. The use of these products for investments allows for significant cost reductions due to the use of passive investment vehicles with broad market exposures, perfect for investors at the beginning of their wealth accumulation.

Portfolio Performance

	1 Month	3 Month	6 Month	Y.T.D.	1 Year	Inception (p.a.)
Gross Returns	0.96%	1.89%	4.26%	11.21%	-	11.21%
Net Returns	0.94%	1.82%	4.11%	11.04%	-	11.14%
Benchmark Returns	1.27%	2.60%	4.40%	11.83%	-	11.83%

VIP Diversified eXplore Portfolio– 11.21%
Morningstar Balanced Index – 11.83%



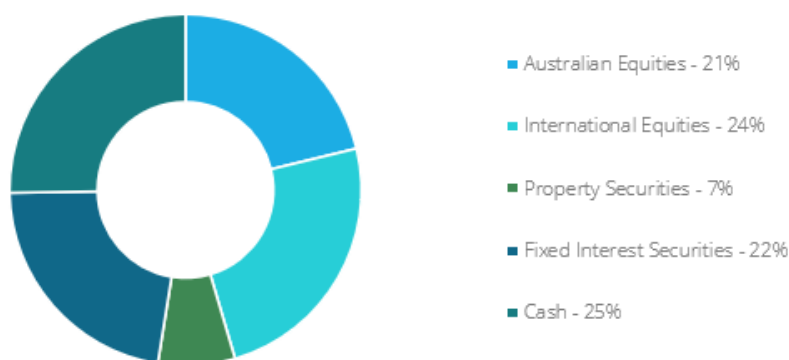
Market Commentary

Just as Delta and broader COVID issues looked to be easing and the world was returning to some normality, the emergence of Omicron late in the December quarter threw society and markets back into uncertainty. The emergence of Omicron not only led to another wave of infections resulting in labour and supply shortages, shutdowns, shipping bottlenecks, and rising prices, but also the broad acceptance that inflation was not going to be transitory. All of this spooked markets, as was evident in economic commentary from business leaders and central bankers, the rise in treasury yields, equity market volatility and the sell down of tech and high PE stocks globally. Omicron led to further business shutdowns and supply chain issues across major economies such as the U.S., China and Australia. Paradoxically Omicron also led to an increase in demand in some areas which exacerbated the impact of supply constraints. The net result, slowing economies and persistent inflation.

However, it wasn't just Omicron and the economic effects of closures that spooked markets. A number of additional inflationary factors emerged that are of even greater concern. Energy prices saw increased volatility and started on an upward price trajectory. Even more concerning to markets was the fact that US rents and wages began contributing to U.S. inflation. Rising rents and wages reflect the impact of creating money via the huge monetary stimulus that has occurred around the world in response to Covid. Inflation from rents and wages is a big problem because it is a structural issue that has previously spiralled out of control and problematically these factors look set to continue to drive inflation.



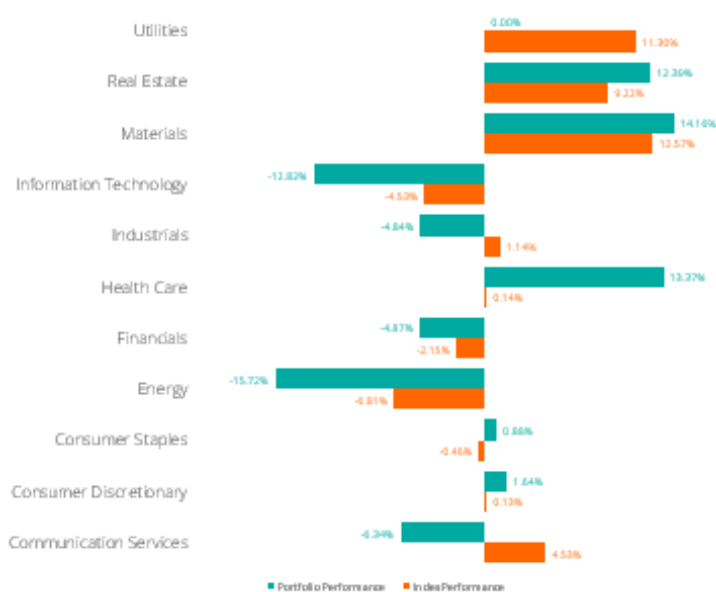
Current Asset Allocation



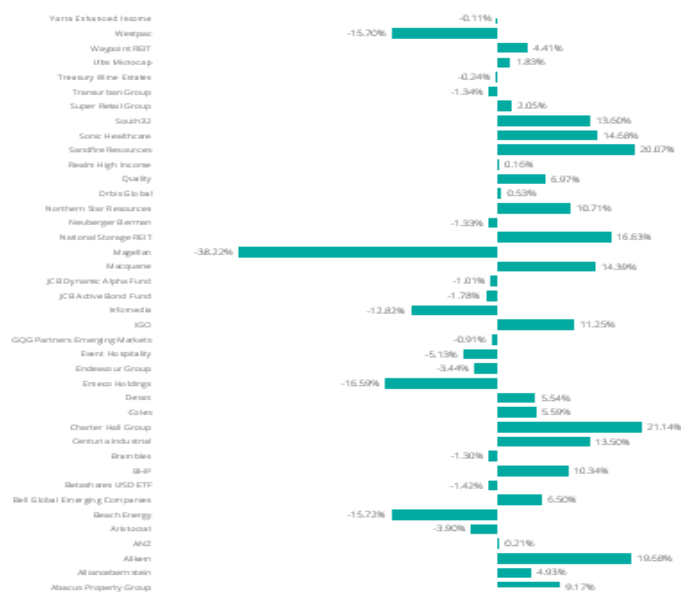
Current Sector Allocation



3 Month Sector Performance



3 Month Holdings Performance



Upside & Downside Capture

	1 Month	3 Month
Upside Capture	105%	121%
Downside Capture	168%	139%

Portfolio Facts

Inception Date	1st April 2021
Asset Class	Multi-Asset
Platform Availability	Xplore Wealth
Index Benchmark	Morningstar Balanced Index
Investment Horizon	5 – 7 Years
Suggested Minimum Investment	\$25,000 AUD
Management Fee (Exc. GST)	0.30%