



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

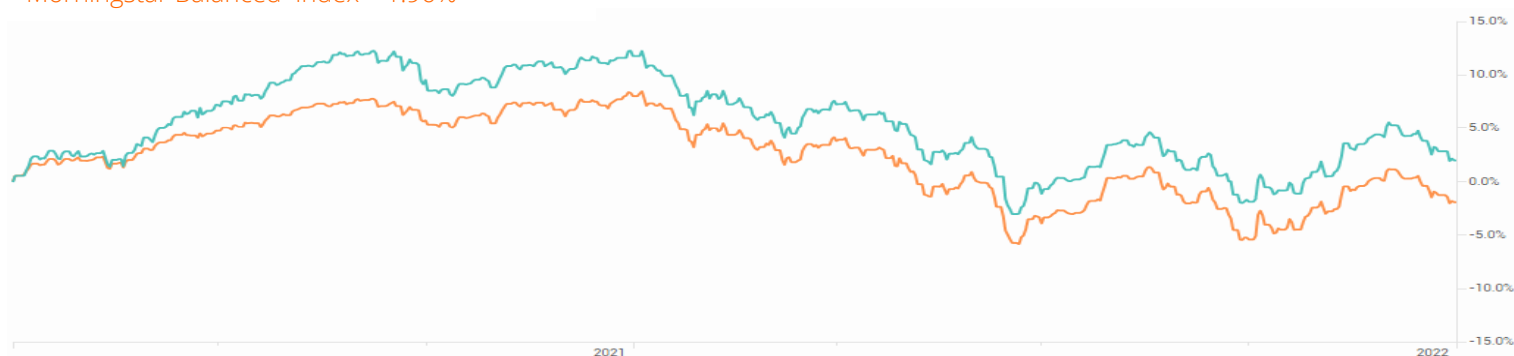
Value Investment Partners eXplore product enable investors to benefit from the principle of asset allocation having the majority of the contribution to excess returns rather than individual stock selection. By using the firms proven expertise of tactical asset allocation investors are able to gain exposure 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	-2.97%	3.94%	3.15%	-8.70%	-8.70%	1.16%
Net Returns	-3.00%	3.87%	3.00%	-9.00%	-9.00%	1.08%
Benchmark Returns	-2.85%	3.69%	2.05%	-9.22%	-9.22%	-1.24%

VIP Diversified eXplore- 2.03%

Morningstar Balanced Index - 1.96%



Market Commentary

We are not out of the Woods yet!

The December quarter brought an easing of inflationary fears as the US reported its first monthly decline in inflation since August 2021. This was reflected in lower US bond yields and stronger US equity markets, with the S&P500 rallying 7% over the quarter. Late in the quarter the inflationary outlook for Australia and Europe also appeared to improve which led to strength in their local markets.

Economic uncertainty continues to prevail

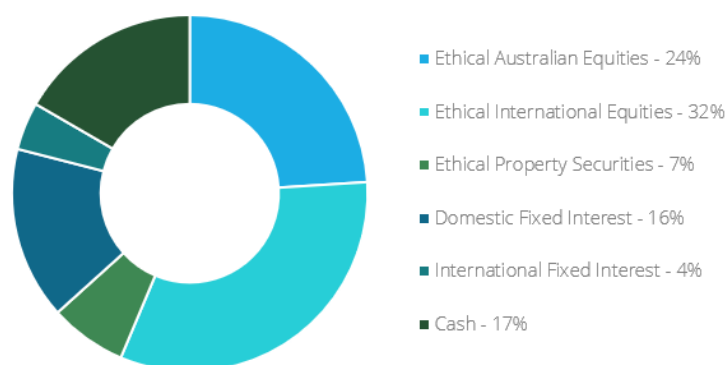
While inflation is starting to look as though it may have peaked in some countries and continues to fuel US and European equity markets, we are not out of the woods yet! Inflation is likely to remain volatile and recession is now pressing with a multitude of data points that look concerning (especially US and European PMI data, non-farm payroll data and the inverted yield curves). Some "experts" are warning of a deep and severe Northern Hemisphere recession. VIP is not as concerned about Australia's economy; however, a deep Northern Hemisphere recession would see contagion.

Protecting capital continues to be VIP's key focus

With the tilt from worrying about inflation to worrying about inflation and recession, VIP portfolios have been positioned to be more exposed to relatively safe bonds, while resources (such as Lithium, copper and iron ore) and financial stocks continue to be preferred over technology and discretionary stocks. Consequently, despite the prospects for global stagflation (inflation and recession) VIP remains comfortable with the positioning of your portfolio and the prospects for 2023.



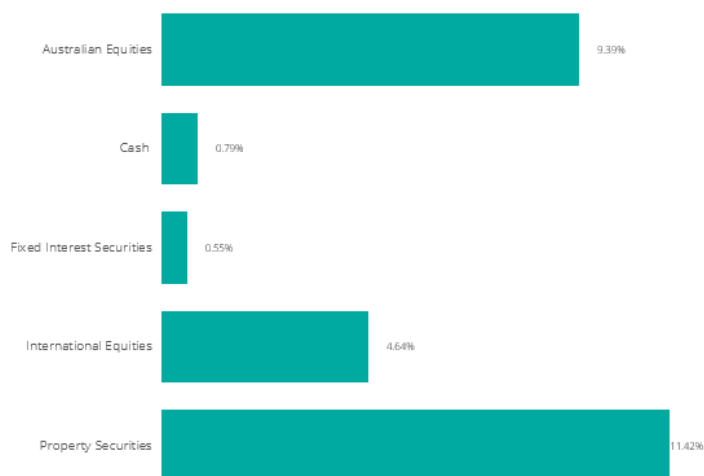
Current Asset Allocation



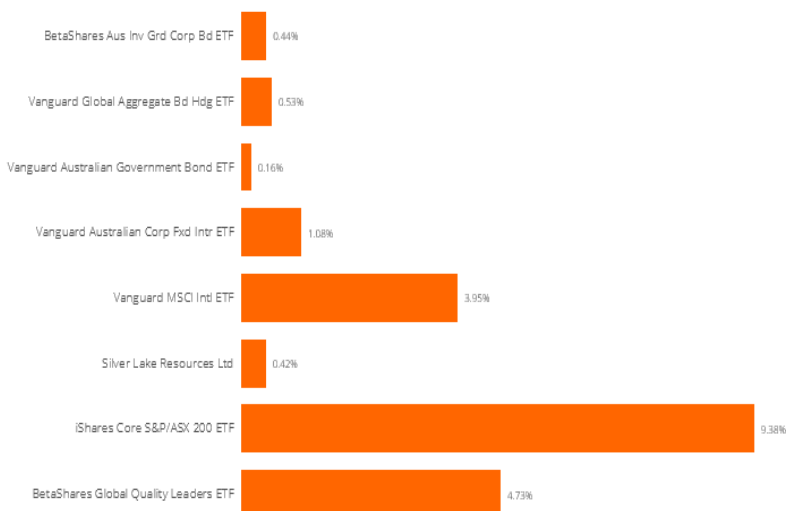
Current Sector Allocation



3 Month Sector Performance



3 Month Holdings Performance



Upside & Downside Capture

	3 Month	1 Year
Upside Capture	105.76%	132.93%
Downside Capture	104.4%	140.89%

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%