



### 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

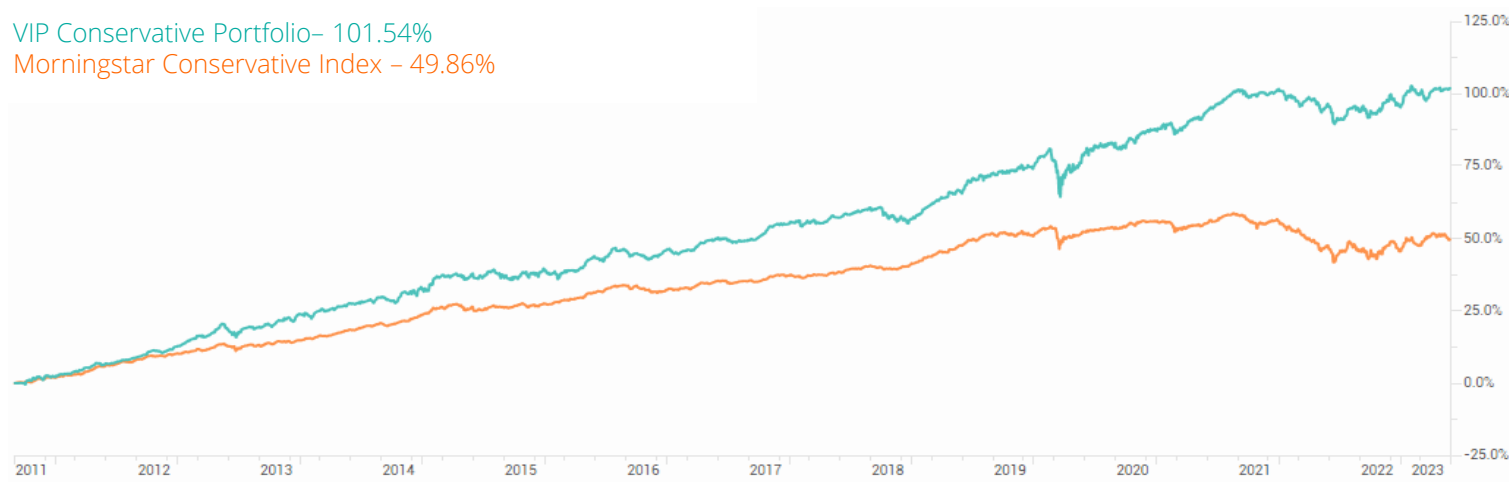
Markets underperformed over May with the ASX200 down -2.53% and the index against which VIP's SMA Growth portfolio is measured down -2.9%. Despite this our defensive positioning enabled VIP's growth portfolio to deliver -0.21% for the month (+4.9% ytd) and the Balanced portfolio delivered -0.18% (+4.2% ytd). The relatively good performances were due to our defensive positioning, our exposure to international technology stocks and Australian REITs.

### Portfolio Performance

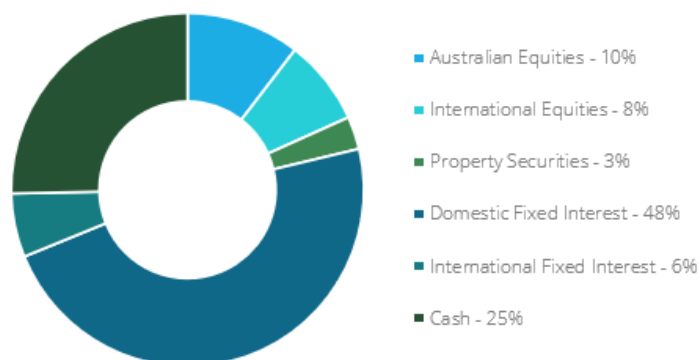
|                   | 1 Month | 3 Month | 6 Month | Y.T.D. | 1 Year | 3 Year (p.a.) | 5 Year (p.a.) | 7 Year (p.a.) | Since Inception (p.a.) |
|-------------------|---------|---------|---------|--------|--------|---------------|---------------|---------------|------------------------|
| Gross Returns     | -0.24%  | 0.88%   | 1.46%   | 3.01%  | 2.68%  | 4.12%         | 5.10%         | 5.27%         | 6.38%                  |
| Net Returns       | -0.31%  | 0.68%   | 1.06%   | 2.48%  | 1.88%  | 3.32%         | 4.30%         | 4.47%         | 5.58%                  |
| Benchmark Returns | -0.96%  | 1.61%   | 1.27%   | 3.03%  | 1.99%  | -0.49%        | 1.60%         | 2.07%         | 3.63%                  |

VIP Conservative Portfolio– 101.54%

Morningstar Conservative Index – 49.86%



### Portfolio Asset Allocation



### Sector Allocation

