



### Investment Objective

The aim of the **VIP Australian Shares Leaders** Portfolio is to provide investors with investment income and capital growth in excess of the S&P/ASX 300 Index over the long term from investment in a portfolio of medium to large capitalisation Australian companies. The portfolio invests in 10 to 40 Australian shares within the S&P/ASX 300 index that have been selected via a quantitative, qualitative screening process, and align with macroeconomic themes identified by our analysts and consultants to generate excess returns over the long term.

### Investment Strategy

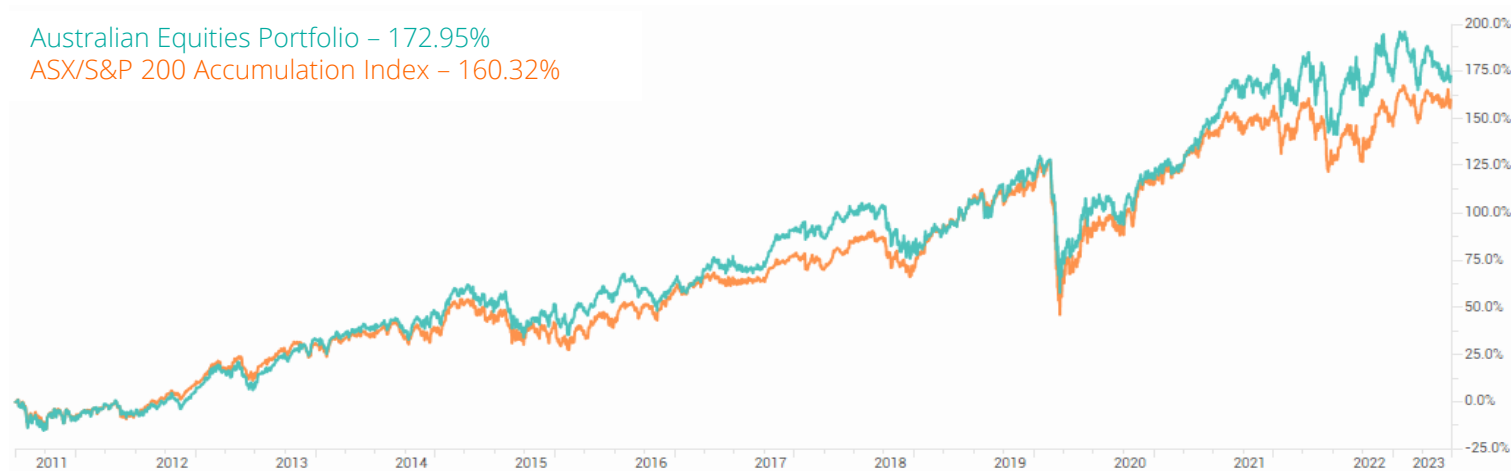
Using our tailored quantitative models our analysts identify companies that meet 57 financial and market measures testing over 7200 data points to identify undervalued securities. Our team analyses company reports, external consultant material, and research papers to identify strong company fundamentals and assessments of potential benefits from macroeconomic trends, forecasts, and developments. Finally, using risk models we test the diversification of potential portfolio constructions to ensure that client risk parameters are met and that an acceptable risk/reward trade off is achieved.

### 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	0.48%	-1.94%	-0.28%	-0.28%	9.91%	10.21%	6.36%	7.91%	9.12%
Net Returns	0.41%	-2.14%	-0.68%	-0.68%	9.11%	9.41%	5.56%	7.11%	8.32%
Benchmark Returns	1.76%	1.01%	4.51%	4.51%	14.78%	11.12%	7.16%	8.56%	8.68%

Australian Equities Portfolio – 172.95%

ASX/S&P 200 Accumulation Index – 160.32%



### Market Commentary

#### Inflation subsided fuelling mixed responses from bonds and equities

Fortunately, the June quarter saw inflation in both the US and Australia starting to settle back into lower and somewhat more acceptable levels, eliciting different responses from each country's central bank and throwing their financial markets into more uncertainty. US bonds rallied to record yields, and surprisingly US equities also rallied with the DJ up 3.4%, S&P500 up 8.4%, and the NASDAQ up a staggering 13%. The strong equities performance was predominantly due to seven technology stocks (Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia, & Tesla) which were responsible for the majority of the US strength. Excluding the seven, US equities were flat, but still reflecting little concern about recession and stronger than Australia's S&P200 which was down 0.3%

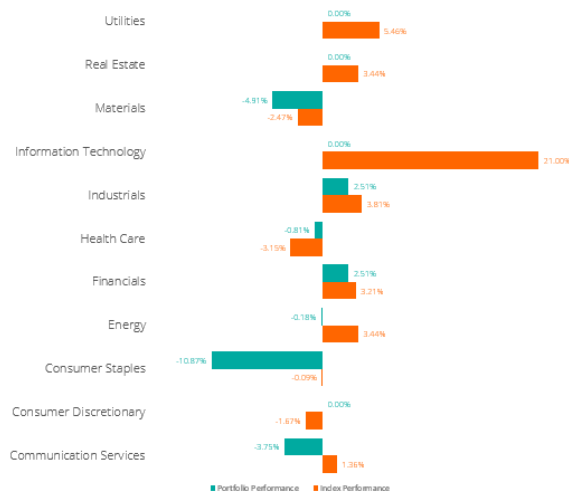
There was also economic and financial market disparity evident across other countries. The FTSE was down 1.3%, China's Hang Seng was down 7.8%, while the Nikkei was up 18% and the MSCI World Index was up 7.5%.

#### VIP is proud of its performance through these difficult markets

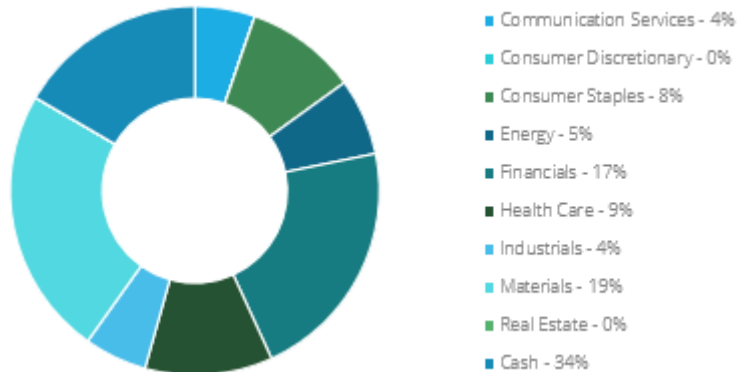
Despite the difficult financial markets VIP's portfolios put in another solid 12 months ending the 2023 financial year, with the flagship Growth Portfolio recording a 11.34% return (10.54% net) outperforming its SMA benchmark by 1.8%. This was achieved whilst running a very conservative position with high cash levels and a low standard deviation. The key performers for the portfolios over the quarter were overweight positions in international equities (tech stocks, including the seven mentioned above) and short duration bonds, while our record low level of REITs also served VIP clients well.



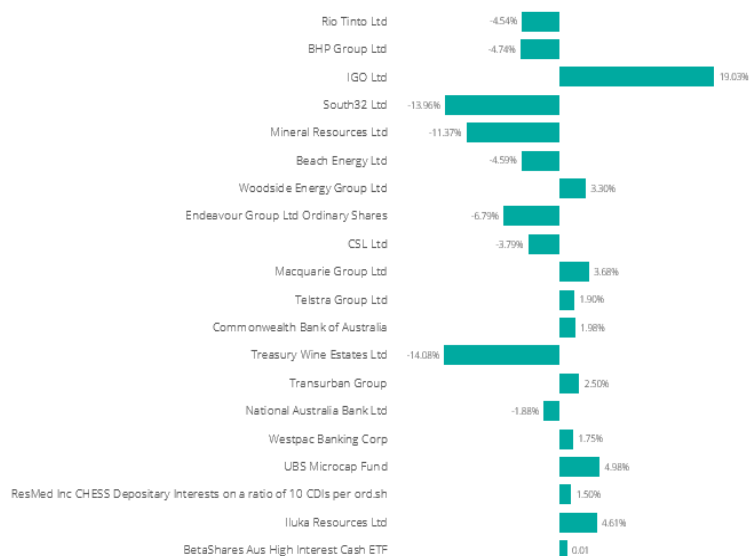
### 3 Month Sector Performance



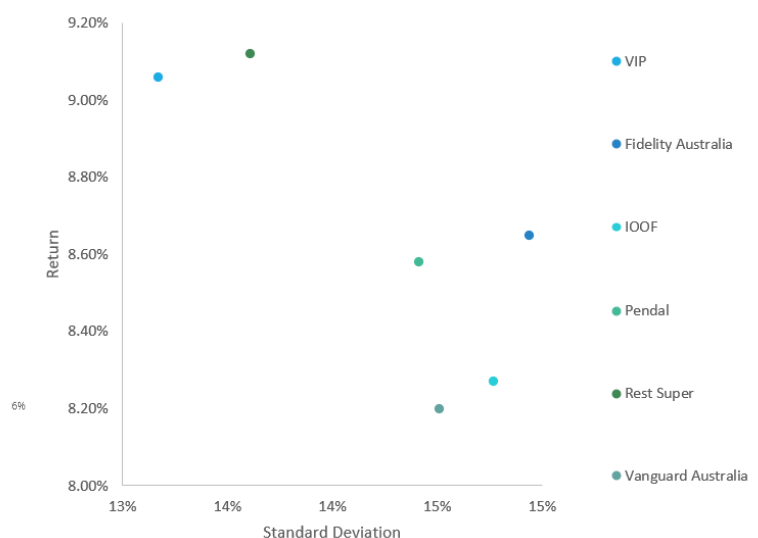
### Current Sector Allocation



### 3 Month Holdings Performance



### 5 Year Risk/Return Profile



### Upside & Downside Capture

	3 Month	5 Year
Upside Capture	71%	78%
Downside Capture	113%	71%

### Portfolio Facts

Inception Date	30 <sup>th</sup> June 2011
Asset Class	Multi-Asset
Platform Availability	Xplore Wealth
Index Benchmark	ASX/S&P 200 Index
Investment Horizon	5 – 7 Years
Minimum Investment	\$75,000 AUD
Management Fee (Exc. GST)	0.80%