



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.

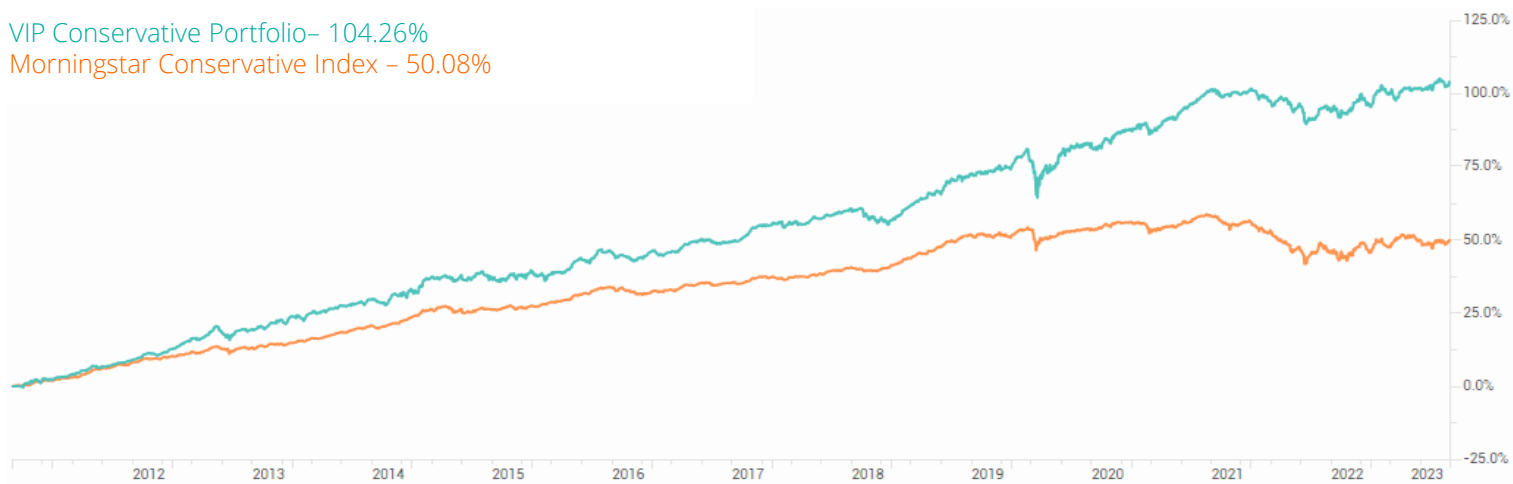
Portfolio Updates

VIP's Conservative Portfolio was down 0.19% for the month of August but remains up 4.4% Y.T.D. This performance has it once again on track to deliver a good result for the year despite its conservative positioning due to the ongoing uncertainty of potential recession and reemergence of inflation. It was our conservative positioning as equities rallied over August which impacted our month, but the reemergence of rising oil prices and the threat this poses to reducing inflation in the US is again of concern globally and supports ongoing conservatism.

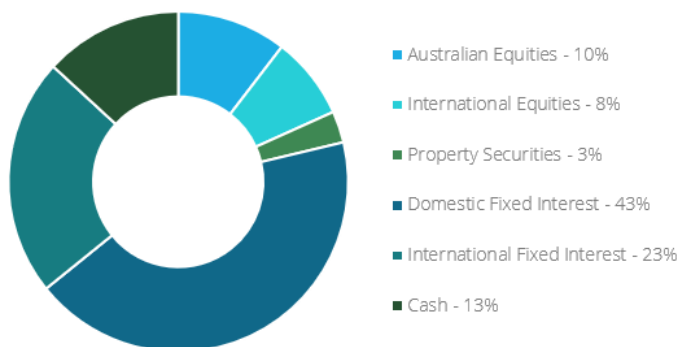
Portfolio Performance

	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	-0.19%	1.33%	2.22%	4.38%	4.96%	3.92%	4.92%	4.86%	6.50%
Net Returns	-0.26%	1.13%	1.82%	4.11%	4.16%	3.12%	4.12%	4.06%	5.70%
Benchmark Returns	0.48%	0.14%	1.75%	3.17%	2.78%	-0.71%	1.33%	1.68%	3.65%

VIP Conservative Portfolio – 104.26%
Morningstar Conservative Index – 50.08%



Portfolio Asset Allocation



Sector Allocation

