

# **VIP Balanced Portfolio**

### November 2023 Portfolio Update (SMA Class)

## Investment Description

The model provides an actively managed diversified portfolio with a strategic allocation of 60% in growth assets and 40% in defensive assets. The manager uses tactical asset allocation within pre-defined ranges as a key contributor to the manager's investment objective and core philosophy of minimising portfolio volatility.

# Portfolio Updates

VIP's positioning remained defensive through November despite markets beginning to factor in an end to the hiking cycle. The threat of recession continues to weigh on our decisions and bodes poorly on the outlook for equities. Consequently we cautiously adopted a wait and see approach to investing ensuring we minimised risks while continuing to benefit from strengthening bond markets. This enabled the VIP Balanced Portfolio to deliver a positive 2.73% return for the month, albeit below its benchmark's 9.25%.

#### Portfolio Facts

Inception Date	1 <sup>st</sup> August 2021
Asset Class	Multi-Asset
Platform Availability	Praemium
Index Benchmark	VIP Balanced Composite Index
Investment Horizon	5 – 7 Years
Suggested Minimum Investment	\$200,000 AUD
Management Fee (Exc. GST)	0.60%

	1 Month	3 Month	6 Month	Y.T.D.	1 Year	3 Year (p.a.)*	5 Year (p.a.)*	7 Year (p.a.)*	Inception (p.a.)*
Gross Returns	2.73%	-0.96%	0.68%	4.91%	2.18%	4.49%	6.70%	6.84%	8.66%
Net Returns	2.69%	-1.07%	0.45%	4.87%	1.73%	4.04%	6.25%	6.39%	8.20%
Benchmark Returns	9.25%	1.09%	4.44%	5.07%	3.34%	0.37%	4.20%	4.38%	4.14%

<sup>\*</sup>Returns based on the MDA Class since its inception given the only differences between the two class from a return perspective is the different management fee and relative performance to a different performance benchmark.



#### Portfolio Asset Allocation



- Australian Equities 16%
- International Equities 16%
- Property Securities 6%
- Domestic Fixed Interest 28%
- International Fixed Interest 25%
- Cash 7%
- Alternative 2%

### Sector Allocation



- Communication Services 2%
- Consumer Discretionary 1%
- Consumer Staples 3%
- Energy 4%
- Financials 6%
- Health Care 4%
- Industrials 3%
- Information Technology 4%
- Materials 5%
- Real Estate 6%
- Domestic Fixed Interest 28%
- International Fixed Interest 25%
- Cash 7%
- Alternative 2%