



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

Global bond yields generally rose over November, the notable exception was US short end rates which softened on Fed rate cut expectations. Otherwise rates rose, at the long end this was due to a higher term premium being demanded in order to compensate for higher inflation and elevated long-term risk. Global equities (MSCI World ex-Australia) were broadly flat at +0.17%. With an uptick in domestic inflation, Australian yields also increased across the curve, but ASX200 equities sold off albeit valuations remain elevated. As a consequence of these changes across global markets the benchmark for the VIP Conservative portfolio was down -0.64% which our portfolio outperformed returning a gross -0.09%

Portfolio Performance

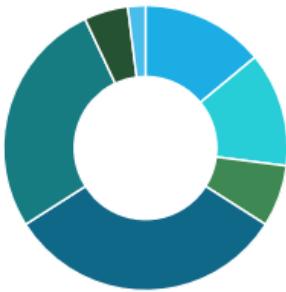
	1 Month	3 Month	6 Month	Y.T.D.	1 Year	3 Year (p.a.)	5 Year (p.a.)	7 Year (p.a.)	Since Inception (p.a.)
Gross Returns	-0.09%	1.27%	4.74%	7.36%	6.90%	7.15%	5.59%	6.46%	6.51%
Net Returns	-0.16%	1.07%	4.34%	6.69%	6.10%	6.35%	4.79%	5.66%	5.71%
Benchmark Returns	-0.64%	-0.03%	1.59%	4.35%	4.45%	4.16%	1.44%	2.62%	3.70%

VIP Conservative Portfolio – 148.27%

Morningstar Conservative Index – 67.26%



Portfolio Asset Allocation



- Australian Equities - 14%
- International Equities - 13%
- Property Securities - 7%
- Domestic Fixed Interest - 32%
- International Fixed Interest - 27%
- Cash - 5%
- Alternative - 2%

Sector Allocation



- Communication Services - 1%
- Consumer Discretionary - 1%
- Consumer Staples - 1%
- Financials - 4%
- Health Care - 1%
- Industrials - 2%
- Information Technology - 3%
- Materials - 1%
- Real Estate - 7%
- Domestic Fixed Interest - 32%
- International Fixed Interest - 27%
- Cash - 5%
- Alternative - 2%