



Investment Description

The model provides an actively managed diversified portfolio with a strategic allocation of 30% in growth assets and 70% 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

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 Balanced portfolio was down -1.27% which our portfolio outperformed returning a gross -0.14%

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.)*	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	-0.13%	1.15%	4.51%	6.98%	6.45%	6.70%	5.14%	6.01%	6.06%
Benchmark Returns	-0.74%	0.18%	3.13%	5.97%	5.51%	6.62%	3.86%	4.86%	5.80%

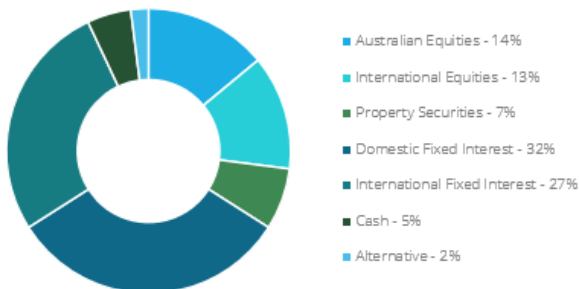
*Returns based on the MDA Class since its inception given the only differences between the two class from a return perspective is the different management fee and relative performance to a different performance benchmark.

VIP Conservative Portfolio – 144.41%

VIP Conservative Composite Index – 122.18%



Portfolio Asset Allocation



Sector Allocation

