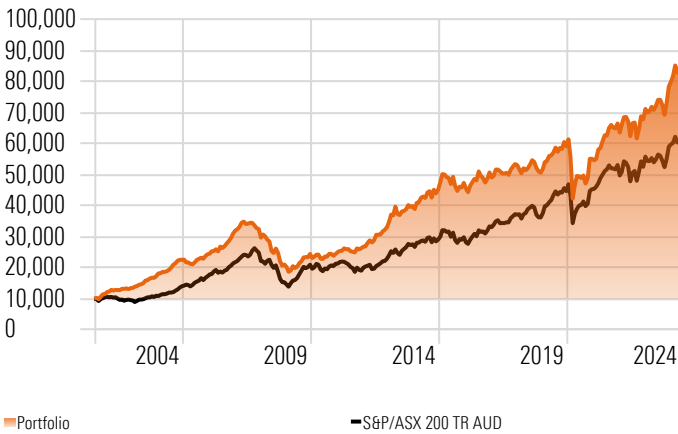


# Morningstar Australian Shares Income Managed Account Portfolio

Performance Update | As of 31/05/2024

**Risk Profile:** High  
**Inception:** 31 August 2001  
**Management Fee:** 0.65%  
**Investment Horizon:** 7 Years

## Investment Growth



## Trailing Returns

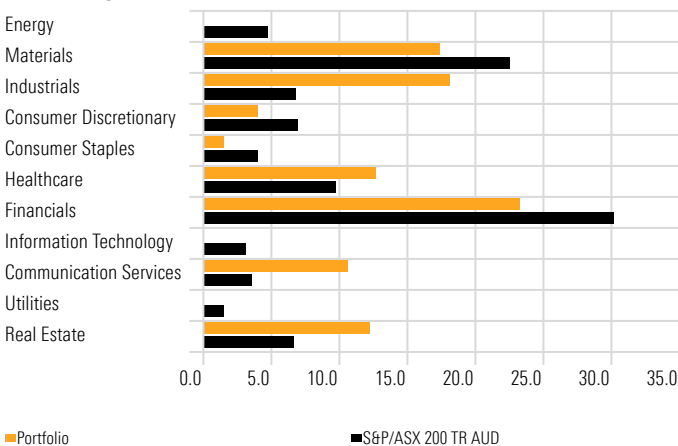
	1mth	3mth	1yr	3yr (% p.a.)	5yr (% p.a.)	10yr (% p.a.)	Incp (% p.a.)
Portfolio	-1.26	0.63	16.15	10.64	7.94	6.72	9.67
S&P/ASX 200 TR AUD	0.92	1.16	12.93	6.80	7.83	7.78	8.23

**Past performance is not a reliable indicator of future performance.**  
 Returns over 12 months are annualised.

## Risk Since Inception

	Std Dev	Max Drawdown	Beta
Portfolio	12.92	-46.34	0.81
S&P/ASX 200 TR AUD	13.43	-47.18	1.00

## Sector Exposure



### Notes:

- 1) Management fees can be negotiated and may be less than the standard management fee.
- 2) Investment performance is before tax and after the standard management fee of 0.65% (inclusive of GST). Investment performance is shown from 31/08/2001 and represents modelled performance only and assumes income received is reinvested. An individual investor's performance will differ from the modelled performance depending on factors such as transaction timing, actual management fees, whether income is paid and any divergence from model portfolio weightings.

## Investment Objective

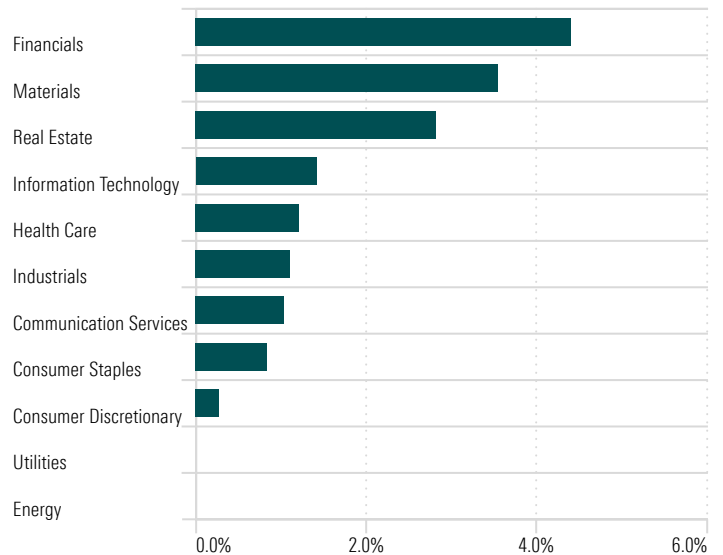
The Morningstar Australian Shares Income Portfolio aims to provide investors with greater risk-adjusted returns and a higher sustainable franked dividend yield relative to the S&P/ASX 200 Accumulation Index in the long term.

## Investment Strategy

The portfolio is actively managed and concentrated consisting of ASX-listed stocks covered by Morningstar's large Equity Research team. Morningstar focusses portfolio exposure on companies with competitive advantages, a market price offering margin of safety, a sustainable dividend yield above the benchmark, and franking credits. This combination of factors helps to preserve capital and reduce volatility in various market environments.

Portfolio turnover is modest to minimise costs and further support after-tax performance. Morningstar Equity Research analysts' ratings, such as Fair Value Estimate, Economic Moat, and Valuation Uncertainty, are important inputs to the portfolio construction process. Total return will tend to be driven more by income than capital appreciation, although both are of course desirable.

## Sector Contribution Over the Past Year



Note: Contribution to return from ETFs has been calculated using NAV returns. Contribution analysis is calculated using a monthly buy and hold methodology.



**Portfolio Holdings**

	<b>Sector</b>	<b>Portfolio Weighting %</b>
Newmont Corp Chess Depository Interest	Materials	5.474
ResMed Inc CDR	Health Care	5.057
ASX Ltd	Financials	5.051
BHP Billiton Ltd	Materials	4.995
Westpac Banking Corp	Financials	4.866
Transurban Group	Industrials	4.725
Aurizon Holdings Ltd	Industrials	4.701
National Australia Bank Ltd	Financials	4.531
Telstra Group Ltd	Communication Services	4.492
ANZ Group Holdings Ltd	Financials	4.480
Cash	—	4.090
Charter Hall Group	Real Estate	4.006
Bapcor Ltd	Consumer Discretionary	3.871
Perpetual Ltd	Financials	3.359
TPG Telecom Ltd Ordinary Shares	Communication Services	3.328
Brambles Ltd	Industrials	3.276
Computershare Ltd	Industrials	3.085
Goodman Group	Real Estate	2.879
Dexus	Real Estate	2.761
Ansell Ltd	Health Care	2.537
Rio Tinto Ltd	Materials	2.521
CAR Group Ltd	Communication Services	2.432
Ramsay Health Care Ltd	Health Care	2.377
Fisher & Paykel Healthcare Corp Ltd	Health Care	2.175
Scentre Group	Real Estate	2.156
South32 Ltd	Materials	2.007
Amcor PLC	Materials	1.695
Ventia Services Group Ltd	Industrials	1.588
Inghams Group Ltd	Consumer Staples	1.482

# Morningstar's Investment Principles



**We put investors first.** We believe the firms that put investors first win in the long term because their investors win. Since 1984, Morningstar, Inc. has been helping investors reach their financial goals. Our fiduciary duty to our principals is paramount.



**We strive to minimise costs.** Controlling costs helps investors build wealth by keeping more of what they earn. Investment returns are uncertain, but costs are not. Lower costs allow investors to keep more of their returns.



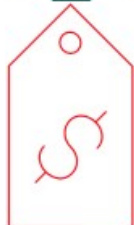
**We invest for the long term.** Taking a patient, long-term view helps people ride out the market's ups and downs and take advantage of opportunities when they arise. Investing with a multi decade horizon aligns with investors focus on increasing their purchasing power over their lifetimes. The long term is the only period where fundamental, valuation driven investing works.



**We're valuation-driven investors.** Anchoring decisions to an investment's fair value—or what it's really worth—can lead to greater potential for returns. Valuation-driven investing through a long-term focus on the difference between price and intrinsic value enables investors to get more than they're paying for.



**We take a fundamental approach.** Powerful research is behind each decision we hold, and we understand what drives each investment we analyse. Fundamental investing incorporates a focus on the future earnings of an investment and not its prospective price change.



**We strive to minimise costs.** Controlling costs helps investors build wealth by keeping more of what they earn. Investment returns are uncertain, but costs are not. Lower costs allow investors to keep more of their returns.



**We build portfolios holistically.** To help manage risk and deliver better returns, truly diversified portfolios combine investments with different underlying drivers. Portfolios should be more than the sum of their parts. True diversification can have a powerful impact on a portfolio's risk-adjusted returns – but simply holding more investments isn't the same as true diversification.