

# Morningstar Balanced (50) Managed Account Portfolio

Performance Update | As of 31/01/2024

**Risk Level:** Medium  
**Inception:** 1 July 2012  
**Investment Horizon:** 5 Years

**Management Fee:** 0.55%  
**Indirect Costs:** 0.14%

## Investment Strategy

An actively managed diversified portfolio of securities across both growth asset classes such as Australian equities, property and global securities, and defensive asset classes such as cash and fixed interest securities. In general, the portfolio's long-term average exposure will be around 50% growth assets and around 50% defensive assets; however the allocations will be actively managed within the allowable ranges depending on market conditions.

## Investment Objective

To achieve a moderate amount of capital growth along with some income, by investing in a diversified portfolio of growth and defensive asset classes.

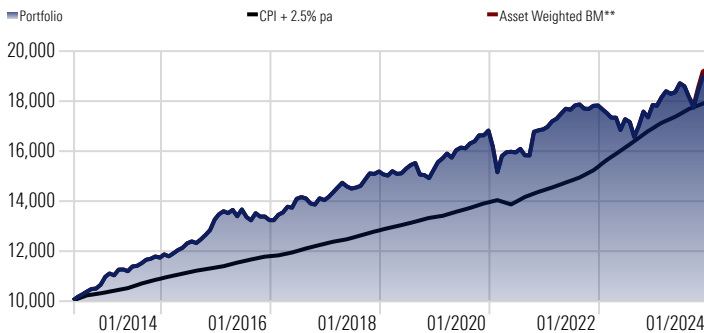
**Performance Objective:** To deliver outperformance of the asset weighted benchmark and additionally to aim to earn a rate of return that exceeds inflation by at least 2.5% per annum both over rolling 5-year periods.

## Trailing Returns

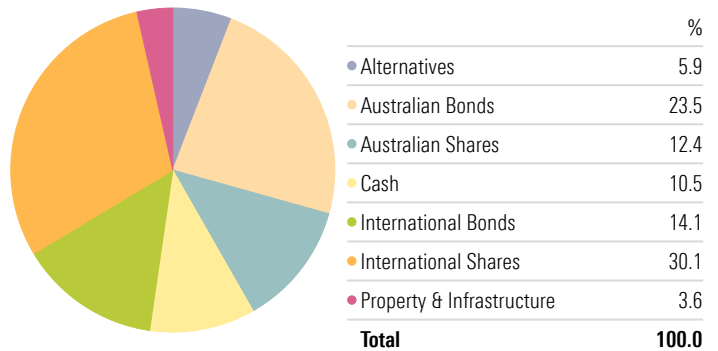
	1mth (%)	3mth (%)	1yr (%)	3yr (% p.a)	5yr (% p.a)	7yr (% p.a)	10yr (% p.a)	Incp (% p.a)
Portfolio*	0.68	7.66	6.98	4.21	4.60	4.50	5.00	5.73
Asset Weighted BM**	0.54	8.15	—	—	—	—	—	—
CPI + 2.50%^	0.40	1.20	6.28	7.61	6.13	5.60	5.15	5.18

**Past performance is not a reliable indicator of future performance.**

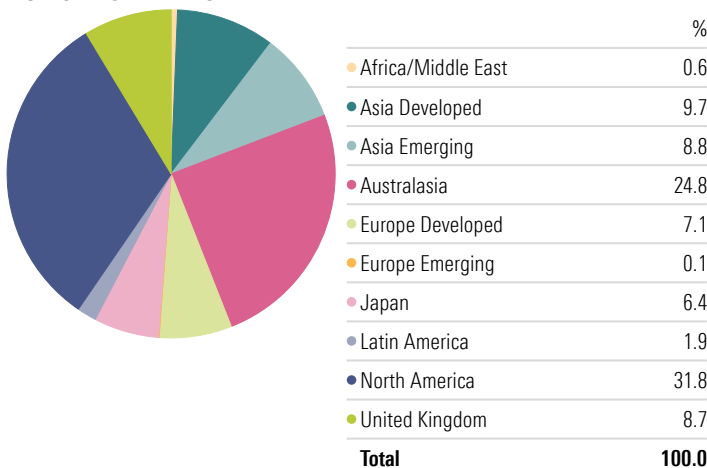
Returns over 12 months are annualised.



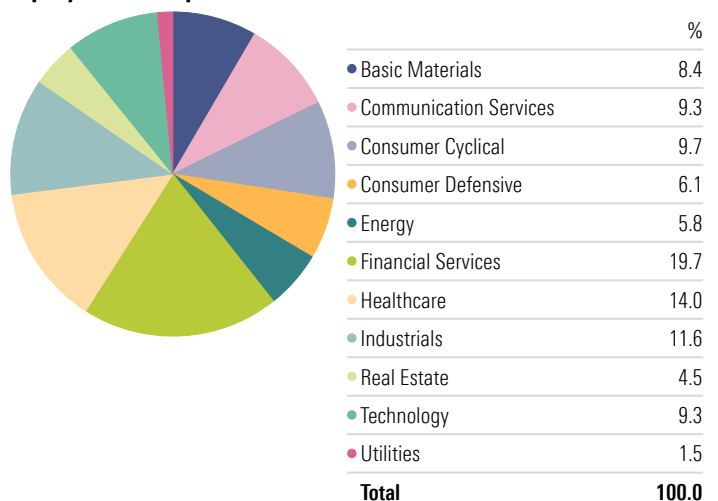
## Asset Allocation



## Equity Regional Exposure



## Equity Sector Exposure

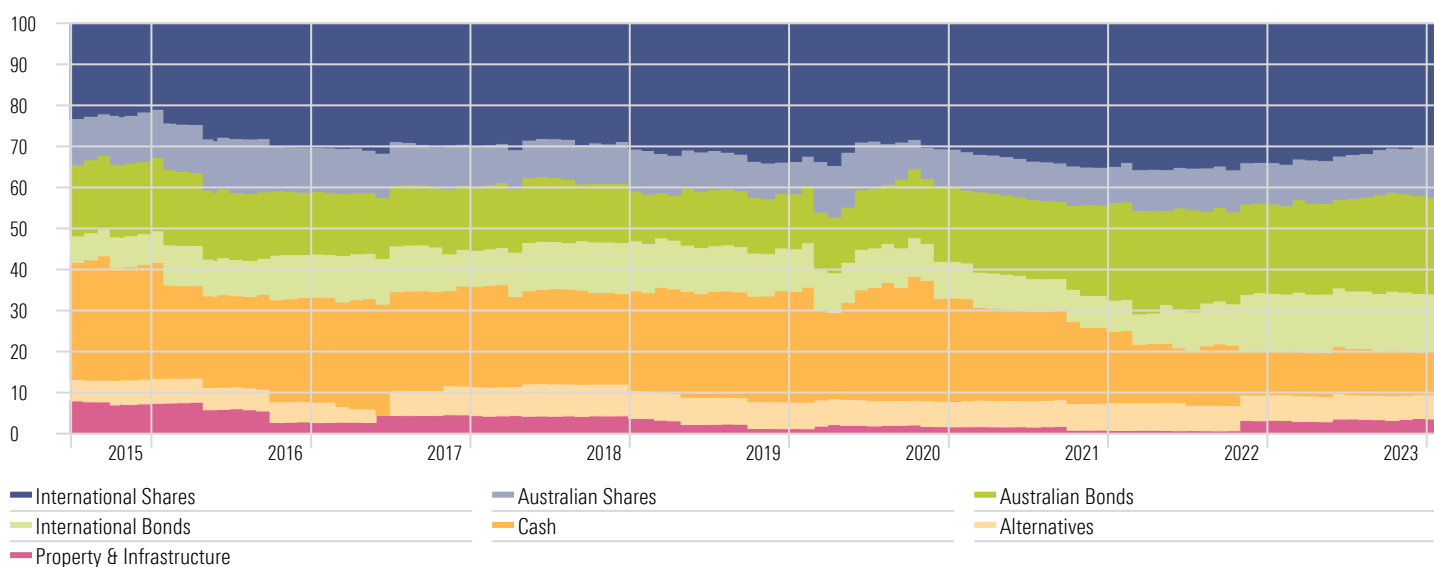


\*Investment performance is before tax and the post-fee return is after the standard management fee of 0.55% and indirect cost ratio (both are inclusive of GST). Investment performance is shown from 01/07/2012 and represents modelled performance only and assumes income received is reinvested. An individual 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. The portfolio may include Funds (including Exchange Traded Funds) which charge management fees and these are an additional cost (captured within the indirect costs) to individual investors and impact their return.

\*\*Prior to 1 October 2023, the portfolios were managed to a CPI benchmark only. The performance of the Asset Weighted Benchmark will be displayed from 1 October 2023.

^The CPI was not available for the current quarter at the time of creation of this report. CPI for the previous quarter has been used as a proxy for the current quarter. Please note the actual CPI for the current quarter may differ to the proxy used.

## Asset Allocations Over Time



## Portfolio Holdings

Holding	Code	Asset Class	Morningstar Sector	Portfolio Weighting %
iShares Core Composite Bond ETF	IAF	Australian Bonds	—	14.415
Morningstar International Bonds (Zero Fee Class)	17381	International Bonds	—	14.088
Vanguard Australian Fixed Interest ETF	VAF	Australian Bonds	—	9.040
iShares Core Cash ETF	BILL	Cash	—	7.505
Morningstar International Shrs Actv ETF	MSTR	International Shares	—	7.374
Morningstar Global Opportunities Class Z	44388	International Shares	—	6.997
Mstar Multi Asset Real Return (Zero Fee Class)	11736	Alternatives	—	5.887
iShares Core S&P/ASX 200 ETF	IOZ	Australian Shares	—	4.010
Morningstar Int Shares (Zero Fee Class)	11743	International Shares	—	3.806
iShares Core MSCI Wld Ex Aus ESG ETF	IWLD	International Shares	—	3.365
Cash	—	Cash	—	3.038
iShares MSCI South Korea ETF (AU)	IKO	International Shares	—	2.704
BetaShares FTSE 100 ETF	F100	International Shares	—	2.505
VanEck FTSE International Property (Hedged) ETF	—	Property & Infrastructure	—	2.197
ResMed Inc CDR	RMD	Australian Shares	Healthcare	1.291
iShares China Large-Cap ETF (AU)	IZZ	International Shares	—	1.264
CSL Ltd	CSL	Australian Shares	Healthcare	1.227
iShares MSCI Japan ETF (AU)	IJP	International Shares	—	1.220
Westpac Banking Corp	WBC	Australian Shares	Financial Services	1.157
ANZ Group Holdings Ltd	ANZ	Australian Shares	Financial Services	1.116
Woodside Energy Group Ltd	WDS	Australian Shares	Energy	1.039
Vanguard FTSE Emerging Markets Shrs ETF	VGE	International Shares	—	0.833
Brambles Ltd	BXB	Australian Shares	Industrials	0.781
James Hardie Industries PLC DR	JHX	Australian Shares	Basic Materials	0.686
GPT Group	GPT	Property & Infrastructure	Real Estate	0.683
Dexus	DXS	Property & Infrastructure	Real Estate	0.676
Ramsay Health Care Ltd	RHC	Australian Shares	Healthcare	0.607
Newmont Corp Chess Depository Interest	NEM	Australian Shares	Basic Materials	0.491

### Benchmark

Weight	Asset Class	Asset Class Benchmark	Allocation
18%	Australian Shares	S&P/ASX 300 Accumulation Index	100%
21%	International Shares	MSCI All Country World ex Australia Index with net dividends re-invested (Unhedged)	55%
		MSCI All Country World ex Australia Index with net dividends re-invested (A\$ Hedged)	45%
8%	Property Securities and Infrastructure	S&P Global Infrastructure net return Index (A\$ Hedged)	50%
		FTSE EPRA/NAREIT Developed Rental Index (A\$ Hedged)	50%
6%	Alternative Investments	Bloomberg AusBond Bank Bill Index	100%
20%	Australian Bonds	Bloomberg Ausbond Composite Index	87.5%
		Bloomberg AusBond Inflation Government Index	12.5%
17%	International Bonds (Hedged)	Bloomberg Barclays Global Aggregate A\$ Hedged Index	87.5%
		Bloomberg Barclays World Government Inflation Linked Bonds 1-15 Years Index (A\$ Hedged)	12.5%
10%	Cash	Bloomberg AusBond Bank Bill Index	100%

Detailed information regarding portfolio holdings are available using Morningstar's Look Through Tool.  
<https://morningstarinvestments.com.au/holdings/>



## 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're independent-minded.** To deliver results, we think it's necessary to invest with conviction, even when it means standing apart from the crowd. Our research shows that making decisions based on fundamental analysis, rather than short-term factors and sentiment, delivers better long-term investment results.



**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.

This document is issued by Morningstar Investment Management Australia Limited (ABN 54 071 808 501, AFS Licence No. 228986) ('Morningstar'). © Copyright of this document is owned by Morningstar and any related bodies corporate that are involved in the document's creation. As such the document, or any part of it, should not be copied, reproduced, scanned or embodied in any other document or distributed to another party without the prior written consent of Morningstar. The information provided is for general use only. In compiling this document, Morningstar has relied on information and data supplied by third parties including information providers (such as Standard and Poor's, MSCI, Barclays, FTSE). Whilst all reasonable care has been taken to ensure the accuracy of information provided, neither Morningstar nor its third parties accept responsibility for any inaccuracy or for investment decisions or any other actions taken by any person on the basis or context of the information included. Past performance is not a reliable indicator of future performance. Morningstar does not guarantee the performance of any investment or the return of capital. Morningstar warns that (a) Morningstar has not considered any individual person's objectives, financial situation or particular needs, and (b) individuals should seek advice and consider whether the advice is appropriate in light of their goals, objectives and current situation. Refer to our Financial Services Guide (FSG) for more information at <https://morningstarinvestments.com.au/fsg>. Before making any decision about whether to invest in a financial product, individuals should obtain and consider the disclosure document and the Target Market Determination (TMD).