

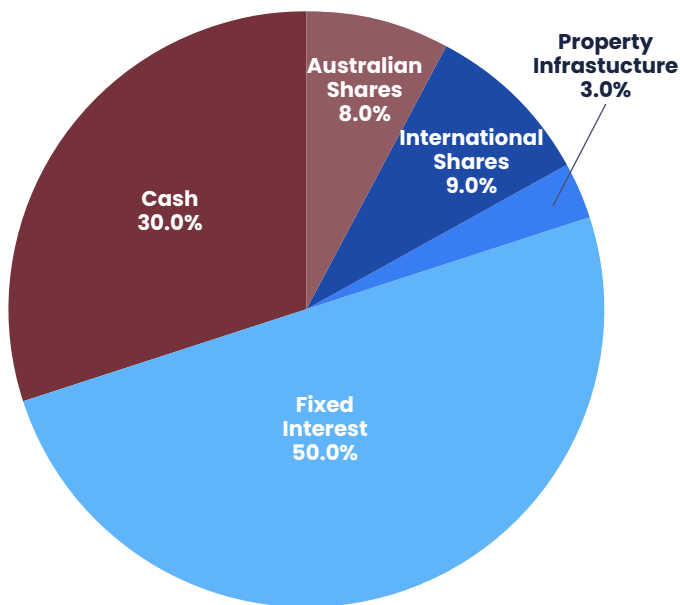


WHAT IS the risk/return profile of a Defensive portfolio?

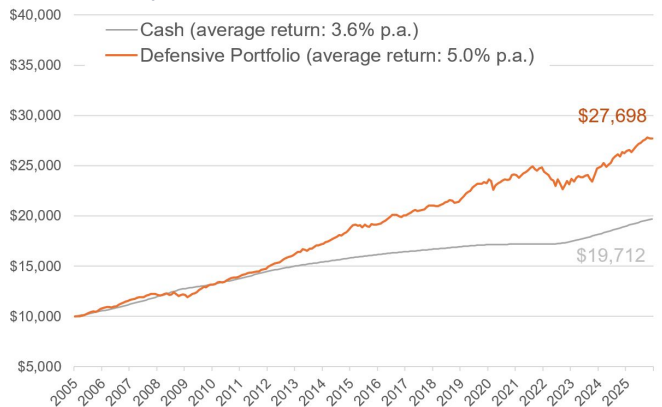
A Defensive portfolio provides relative stability of returns over the short-to-medium term, with some potential for modest long-term growth.

Asset allocation of a Defensive portfolio

A Defensive portfolio targets an asset allocation of 80% in defensive assets, and 20% in growth assets:



Value of \$10,000 investment - Jan 2005 to Dec 2025*



*Annual returns with all income re-invested

Historical range of returns (per annum) Income re-invested



WHAT IS the risk/return profile of a Defensive portfolio

Who is this suitable for

This portfolio is recommended for investors who are uncomfortable with investment risk, and/or require modest returns to meet their objectives.

Investment time frame

This portfolio is suitable for investors with an investment time frame of at least two years.

Key questions about risk

Question	Answer
Historically, how often has a portfolio with a defensive asset allocation incurred a loss?	Once in every 14.1 years
What has been the largest loss incurred in the last 20 years? When did this occur?	-10.9% in Sept 22
How long did it take for the portfolio to recover from this loss?	1.5 years
How has this portfolio performed in the last 20 years on an annualised basis?	5.0% p.a

Pros	Cons
Low likelihood of a negative return over a 12 month period	Low returns over long-term
Low variance in returns from year to year	Provides limited protection against inflation

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