

WealthFoundations

IPS Conservative Growth (Pension) Quarterly Report

As of 30/06/2017

Second quarter 2017

Market update

Political uncertainty was a major theme across global markets this quarter, with both good and bad outcomes. Emmanuel Macron's victory in the French elections and Angela Merkel's Christian Democratic Party's strong performance in local elections have helped ease concerns over a seemingly populist anti-globalisation movement in Europe.

British equities and the Sterling initially responded well to Theresa May's call for a snap election in May to strengthen the nation's position in Brexit negotiations. However, this momentum dissipated when the election produced a hung parliament and May's Brexit plan still lacked detail at quarter end.

North Korea's nuclear missile program is also stirring the pot but it is not expected to affect equity markets as long as the US and China continue to cooperate on the matter.

China is increasingly conscious of its financial fragility caused by high levels of corporate debt, the complex nature of its wealth management products, and links to the shadow banking system. To overcome this, the central bank and three regulators (banking, securities and insurance) have joined forces to address the complex and opaque shadow banking sector, and introduced aggressive restrictions on permissible financial activities. This is the right move in the long run to defuse overleveraging and systemic financial risk in China's economy, although we are watching closely for short term negative repercussions.

Model update

Although financial markets were a little weak in the month of June, performance has been strong for the past 12 months.

The CFS Infrastructure and Vanguard Listed International Infrastructure funds were the standout performers within your portfolio earning 4.9% and 3.1% respectively over the quarter.

Infrastructure continues to perform well as increases in flight passenger volumes benefited airports, and the reduced political uncertainty in Europe this quarter boosted utilities and toll roads.

Justin McLaughlin
Chief Investment Officer

IPS Conservative Growth (Pension)

As of 30/06/2017

Portfolio objective

An actively managed portfolio of shares from what could be more defensive sectors of the share market, such as infrastructure and property, with the objective to earn relatively high returns over the long term.

Performance[^]

	Since inception (%p.a)**	3 years (%p.a)	2 years (%p.a)	1 year (%p.a)	6 months (%)	3 months (%)	1 month (%)
Total Return	11.6		9.3	1.8	2.9	1.3	-4.5
Volatility	10.8		11.0	11.7	3.6		

**Inception Date: 23/09/2014

Growth of \$100 invested at inception[^]

Time Period: 24/09/2014 to 30/06/2017

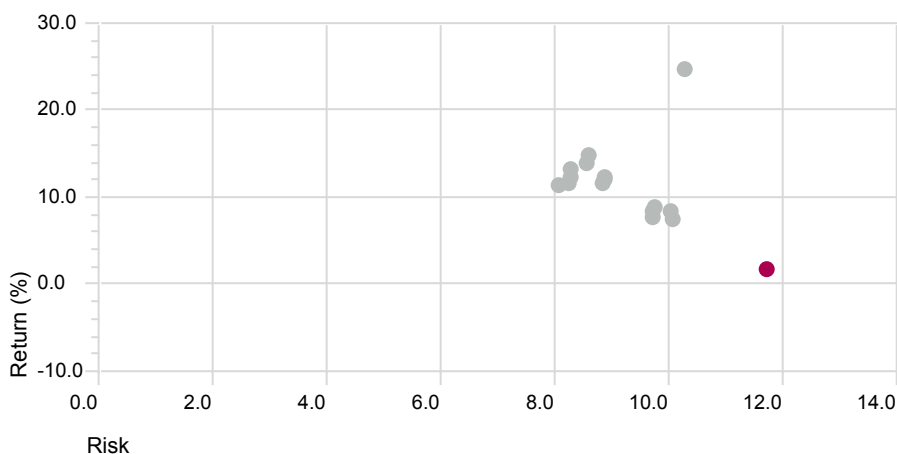


[^] Performance data is **after** applicable fees and taxes, and assumes the reinvestment of distributions. Past performance is not indicative of future performance. Due to the flexibility of rebalancing and variations between accounts, performance shown is indicative only and, for example, assumes that there are no deposits, withdrawals nor exceptions to regular rebalancing in the model portfolio.

Return and risk vs. peer group

Time Period: 1/07/2016 to 30/06/2017

Peer Group (5-95%): Insurance and Pension Funds - Australia - Pension - Infrastructure - Global



What is a risk and return chart?

The chart to the left shows the returns and associated risk of the model portfolio (darker shape) against its peers (light grey circles), over the past year.

The past years return (as a percentage) is shown on the vertical axis.

The risk (as measured by the standard deviation) of the investment over the past year is shown on the horizontal axis.

Underlying funds

	APIR Code	Global Broad Category Group	Portfolio Weighting %
CFS Infrastructure Fund	CVW0024AU	Equity	40.00
CLAL Listed Property Fund	CVW0023AU	Equity	40.00
Vanguard Listed Intl Infrastructure Fund	CVW0025AU	Equity	20.00

IPS Conservative Growth (Pension)

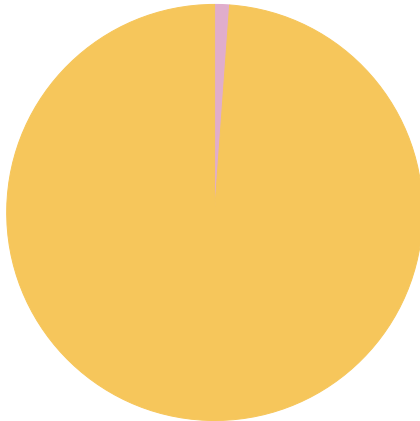
Performance of current underlying funds

Portfolio Date: 30/06/2017

	3 Yr (%p.a)	2 Yr (%p.a)	1 Yr (%p.a)	6 Mth (%)	3 Mth (%)	1 Mth (%)
CFS Infrastructure Fund		11.19	7.34	7.58	4.92	-4.26
CLAL Listed Property Fund		7.86	-5.40	-2.24	-3.15	-4.80
Vanguard Listed Intl Infrastructure Fund		7.65	4.83	4.01	3.06	-4.31

Asset class breakdown

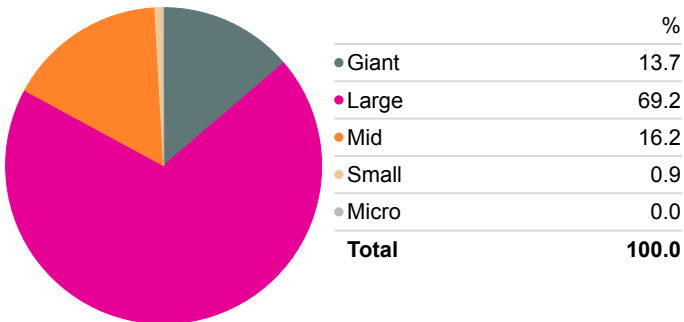
Portfolio Date: 30/06/2017



	%
Cash	1.2
International Equities	98.8
Total	100.0

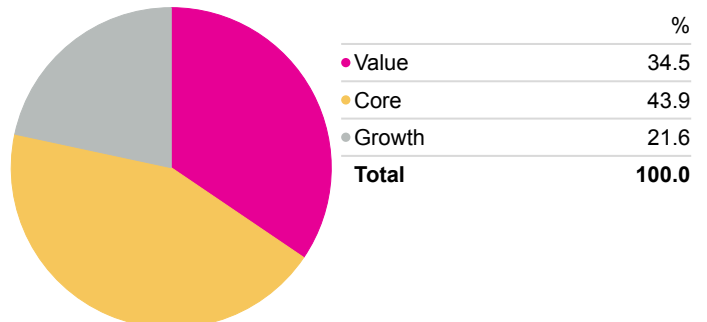
Equities: Market capitalisation

Portfolio Date: 30/06/2017



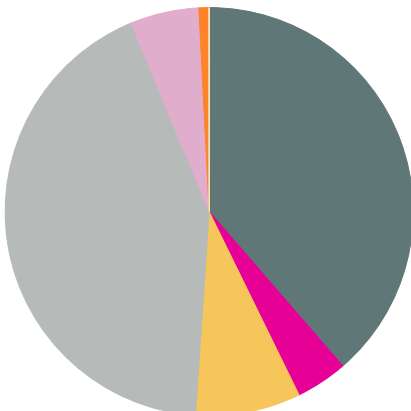
Equities: Investment Style

Portfolio Date: 30/06/2017



Equities: Geographical exposure

Portfolio Date: 30/06/2017



	%
North America	38.6
United Kingdom	4.1
Europe developed	8.3
Australasia	42.7
Japan	5.4
Asia developed	0.8
Asia emerging	0.0
Total	100.0

Top holdings of the underlying infrastructure, property and equity funds

CVW WF-CLAL Listed Property (Pension) - Top Holdings

Portfolio Date: 30/06/2017

	Sector	Portfolio Weighting %
Scentre Group	Real Estate	19.59
Westfield Corp	Real Estate	13.95
Goodman Group	Real Estate	11.39
Stockland Corp Ltd	Real Estate	9.58
Dexus	Real Estate	8.70
GPT Group	Real Estate	7.82
Vicinity Centres	Real Estate	7.64
Mirvac Group	Real Estate	7.18
Investa Office Fund	Real Estate	2.46
Charter Hall Group	Real Estate	2.32

CVW WF-CFS Infrastructure (Pension) - Top Holdings

Portfolio Date: 30/06/2017

	Sector	Portfolio Weighting %
National Grid PLC	Utilities	7.39
Enbridge Inc	Energy	6.63
Transurban Group	Industrials	6.48
East Japan Railway Co	Industrials	6.44
Atlantia SpA	Industrials	6.12
Kinder Morgan Inc P	Energy	5.78
NextEra Energy Inc	Utilities	5.37
American Electric Power Co Inc	Utilities	4.90
Dominion Energy Inc	Utilities	4.79
American Tower Corp	Communication Services	4.58

CVW WF-Vanguard Gbl Infrs Idx(Pen) - Top Holdings

Portfolio Date: 31/05/2017

	Sector	Portfolio Weighting %
Union Pacific Corp	Industrials	4.95
NextEra Energy Inc	Utilities	3.64
Enbridge Inc	Energy	3.45
Duke Energy Corp	Utilities	3.26
American Tower Corp	Communication Services	3.05
Canadian National Railway Co	Industrials	2.90
CSX Corp	Industrials	2.82
Dominion Energy Inc	Utilities	2.78
Southern Co	Utilities	2.73
National Grid PLC	Utilities	2.68

Important Information

This document is issued by ClearView Life Nominees Pty Ltd (ClearView) ABN 37 003 682 175 AFS 227683 as Trustee for the ClearView Retirement Plan ABN 45 828 721 007 which includes ClearView WealthFoundations Super and Pension, USI CVW0001AU. This document is not intended to represent investment or professional advice. This information does not take into account your individual objectives, financial circumstances or needs. You should assess whether the information is appropriate for you, having regard to your objectives, financial circumstances and needs. You should consider the disclosure documents when deciding whether or not to acquire or to continue to hold the investment. No representation or warranty is made as to the accuracy, completeness or reliability of any estimates, opinions, conclusions or other information contained in this document. This document may contain certain forward-looking statements. Forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of ClearView. You should not place reliance on forward-looking statements. To the maximum extent permitted by law, ClearView and its related entities and each of their respective directors, officers and agents disclaims all liability and responsibility for any direct or indirect loss or damage which may be suffered as a result of relying on anything in this document including any forward-looking statements. Past performance is not an indication of future performance.