

# WealthSolutions

## IPS Dynamic 50 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 Colonial Infrastructure and MFS International Shares funds were the standout performers within your portfolio earning 4.9% and 6.6% respectively over the quarter.

Within Australian shares, Schroders earned 22.1% for your portfolio over the year, although due to changing economic conditions and a weaker iron ore price, it has only contributed 0.58% over the recent quarter. As we do not expect these conditions to improve, your portfolio remains underweight in Australian shares.

We have introduced a new manager into the portfolio, the CFML Antipodes Global Fund. The Fund is managed by Antipodes Global Investment Partners, a Sydney based boutique investment firm that seeks both to achieve good investment returns and to build portfolios with a capital preservation focus. Antipodes replaces the Platinum International fund within the model.

**Justin McLaughlin**  
Chief Investment Officer

## IPS Dynamic 50

As of 30/06/2017

## Portfolio objective

The IPS Dynamic 50 model is a portfolio of actively managed assets designed to achieve moderate returns over the medium term.

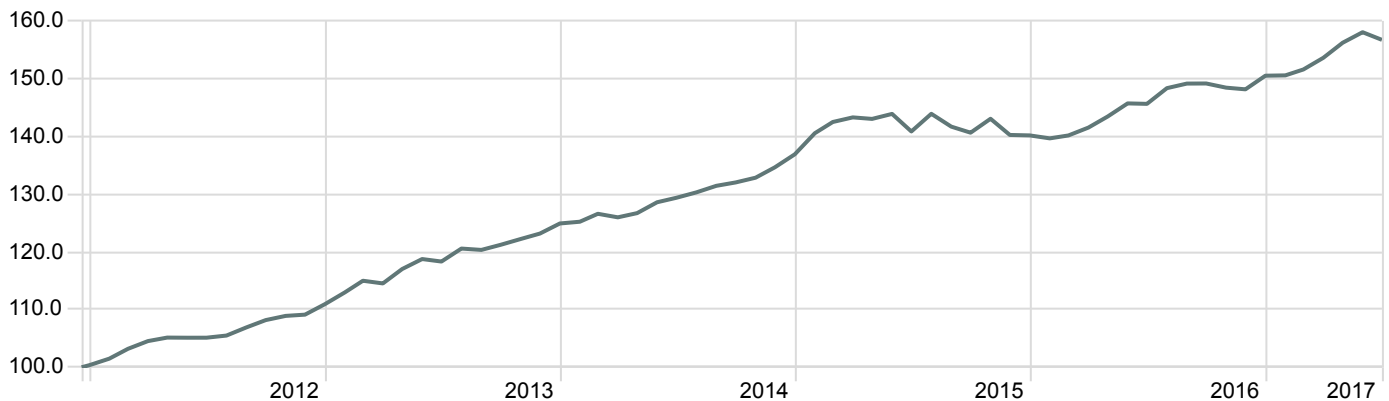
## Performance

	Since Inception (%p.a)**	5 years (%p.a.)	3 years (%p.a.)	1 year (%p.a.)	6 months (%)	3 months (%)	1 month (%)
Total Return	8.4	8.3	6.6	7.6	4.1	2.0	-0.8
Volatility	3.4	3.5	3.9	3.2	0.9		

\*\*Inception Date: 19/12/2011

## Growth of \$100 invested at inception ^

Time Period: 20/12/2011 to 30/06/2017

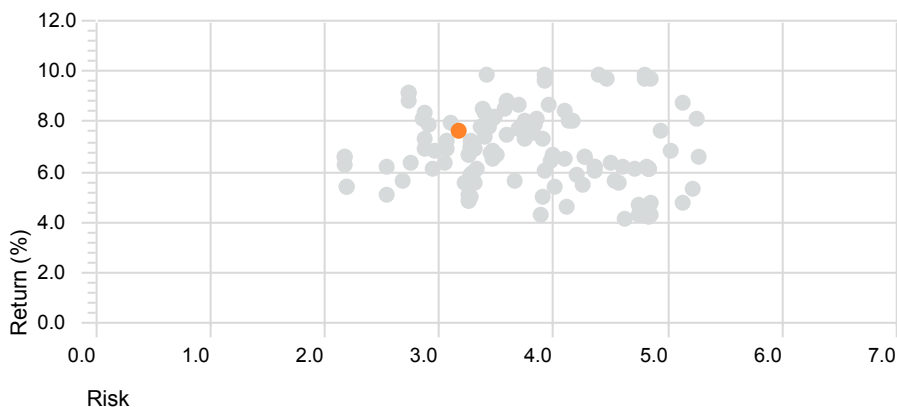


^ Performance data is after fund manager fees, but before any other applicable fees or taxes and assumes the reinvestment of dividends. Past performance is not indicative of future performance. Due to the flexibility of rebalancing and variations between accounts, performance shown is indicative only and assumes rebalancing occurs at the end of each calendar month, and also 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%): Open End Funds - Australia - Multisector Balanced



## 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 %
CFML Fixed Interest	NRM0030AU	Fixed Income	45.00
CFML Cash	NRM0026AU	Money Market	15.00
CFML Colonial Infrastructure	NRM0036AU	Equity	12.50
CFML Schroder Equity Opportunities	NRM0028AU	Equity	10.00
CFML RARE Emerging Markets	NRM0038AU	Equity	7.50
CFML Antipodes Global Fund	CVW1890AU	Alternative	5.00
CFML MFS International Shares	NRM0032AU	Equity	5.00

# IPS Dynamic 50

## Performance of current underlying funds

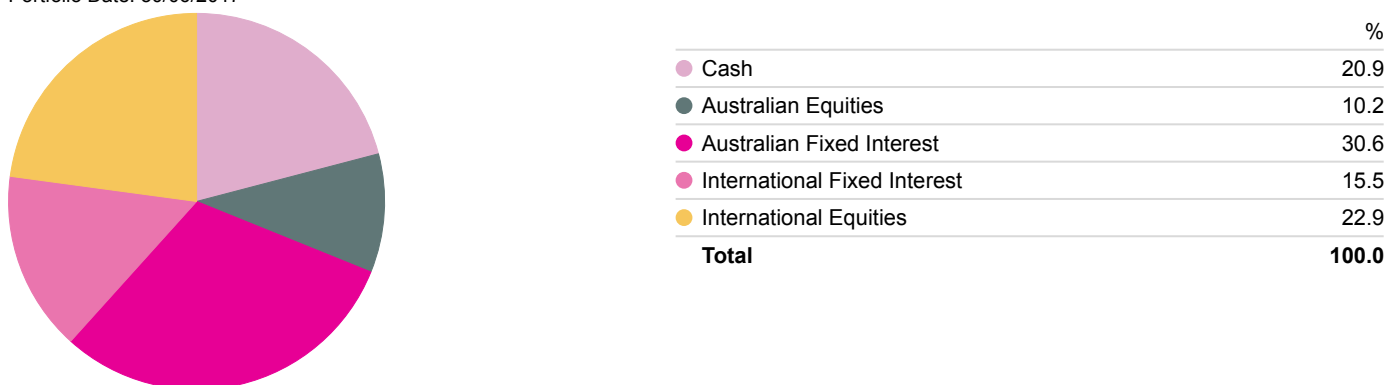
Portfolio Date: 30/06/2017

	5 Yr (%pa)	3 Yr (%pa)	2 Yr (%pa)	1 Yr (%)	6 Mth (%)	3 Mth (%)	1 Mth (%)
CFML Fixed Interest	4.19	4.47	4.30	3.16	2.64	1.35	-0.24
CFML Cash	2.28	1.93	1.74	1.53	0.74	0.37	0.11
CFML Colonial Infrastructure	17.75	14.37	12.25	7.33	7.58	4.93	-4.25
CFML Schroder Equity Opportunities	12.97	7.60	8.65	22.13	2.10	0.58	0.34
CFML RARE Emerging Markets	12.41	9.15	4.31	12.57	10.79	1.64	-0.57
CFML MFS International Shares	18.85	14.75	10.05	17.61	9.01	6.56	-1.73
CFML Antipodes Global Fund							-2.14

Please note: The CFML Antipodes Global Fund was established 8th May 2017.

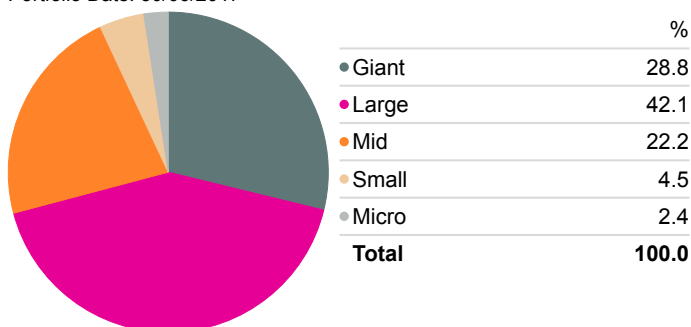
## Asset class breakdown

Portfolio Date: 30/06/2017



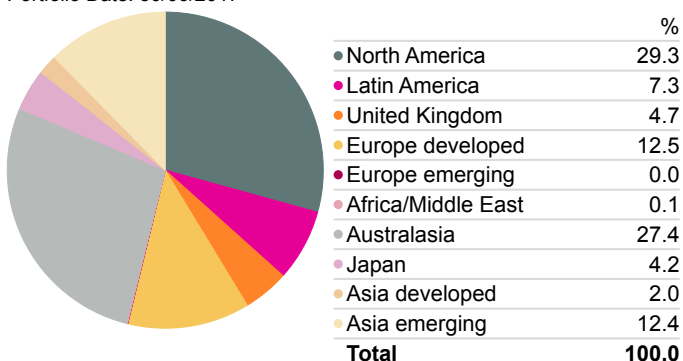
## Equities: Market capitalisation

Portfolio Date: 30/06/2017



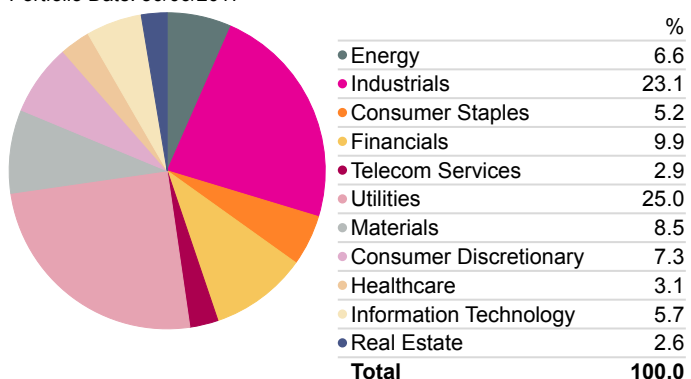
## Equities: Geographical exposure

Portfolio Date: 30/06/2017



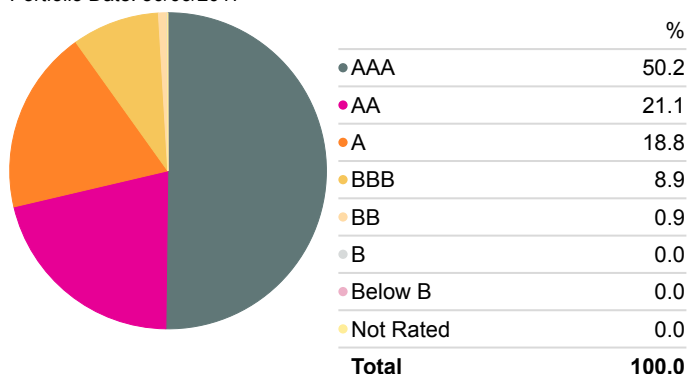
## Equities: Industry exposure

Portfolio Date: 30/06/2017



## Fixed Interest: Credit quality

Portfolio Date: 30/06/2017



## Top holdings of the underlying infrastructure, property and equity funds

## CFML Colonial Infrastructure - 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

## CFML Schroder Equity Opportunities - Top Holdings

Portfolio Date: 30/06/2017

	Sector	Portfolio Weighting %
National Australia Bank Ltd	Financial Services	4.33
Rio Tinto Ltd	Basic Materials	4.32
Woolworths Ltd	Consumer Defensive	4.17
Australia and New Zealand Banking Group Ltd	Financial Services	4.16
Commonwealth Bank of Australia	Financial Services	3.93
BHP Billiton Ltd	Basic Materials	3.92
Westpac Banking Corp	Financial Services	3.81
Fletcher Building Ltd	Basic Materials	3.04
Iluka Resources Ltd	Basic Materials	3.02
CYBG PLC DR	Financial Services	2.98

## CFML MFS International Shares - Top Holdings

Portfolio Date: 31/05/2017

	Sector	Portfolio Weighting %
Thermo Fisher Scientific Inc	Healthcare	2.98
Bayer AG	Healthcare	2.93
Nestle SA	Consumer Defensive	2.67
Honeywell International Inc	Industrials	2.46
Medtronic PLC	Healthcare	2.33
Reckitt Benckiser Group PLC	Consumer Defensive	2.26
Svenska Cellulosa AB B	Consumer Defensive	2.16
Visa Inc Class A	Financial Services	2.16
Accenture PLC A	Technology	2.13
Stryker Corp	Healthcare	2.11

## Top holdings of the underlying infrastructure, property and equity funds

### CFML RARE Emerging Markets - Top Holdings

Portfolio Date: 30/06/2017

	Sector	Portfolio Weighting %
Bharti Infratel Ltd	Communication Services	5.89
Power Grid Corp Of India Ltd	Utilities	5.79
Malaysia Airports Holdings Bhd	Industrials	5.77
PT Jasa Marga (Persero) Tbk Class B	Industrials	5.05
Gujarat State Petronet Ltd	Utilities	4.71
NTPC Ltd	Utilities	4.68
Infraestructura Energetica Nova SAB de CV	Utilities	4.26
Companhia De Saneamento Basico Do Estado De Sao Paulo	Utilities	3.56
Light SA	Utilities	3.47

### CFML Antipodes Global Fund - Top Holdings

Portfolio Date: 30/06/2017

	Sector	Portfolio Weighting %
Hyundai Motor Co	Consumer Cyclical	3.89
Baidu Inc ADR	Technology	3.13
Gilead Sciences Inc	Healthcare	3.00
KB Financial Group Inc	Financial Services	2.86
ING Groep NV	Financial Services	2.60
Samsung Electronics Co Ltd	Technology	2.53
Microsoft Corp	Technology	2.48
Office Depot Inc	Consumer Cyclical	2.45
Telecom Italia SpA	Communication Services	2.43

#### Important Information

In relation to the SMA, this document is issued by ClearView Financial Management Ltd (CFML) ABN 99 067 544 549 AFSL 227677 as the Operator of ClearView WealthSolutions Investments, an Investor Directed Portfolio Service. In relation to the IPS, this document is issued by ClearView Life Nominees Pty Ltd (CLN) ABN 37 003 682 175 AFS 227683 as Trustee for the ClearView Retirement Plan ABN 45 828 721 007 which includes ClearView WealthSolutions Superannuation and Retirement Income, USI 45 828 721 007 001. CLN and CFML together are referred to as ClearView. 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.