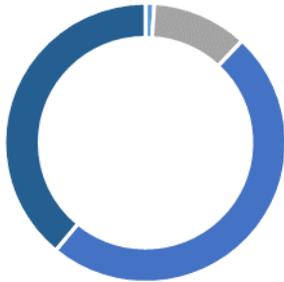


IFS High Growth Model – September 2018 Quarterly Report

Actual asset allocation as at 30 September 2018



- Cash 1%
- Property 11%
- Australian Shares 49%
- International Shares 39%

Fund Objective

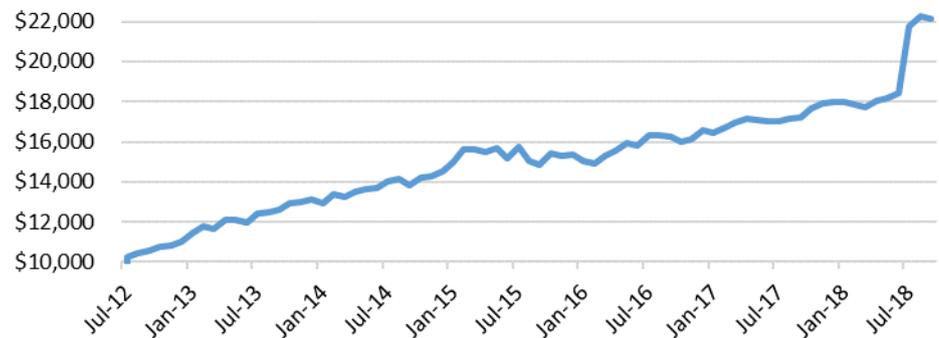
The High Growth model aims to achieve a return of inflation + 3% p.a. on a rolling seven-year basis. Since inception in July 2012, a notional investment of \$10,000 would now be worth \$22,129.

Performance Review

	3 Months %	1 Year %	3 Years %	5 Years %
Net return	3.53	14.42	11.72	10.36
Objective (CPI + 3%)	1.11	5.08	4.68	4.91
Standard deviation			7.51	8.15
<i>Standard deviation – ASX 300 index</i>			8.97	10.59

Net return is shown after investment fees and costs but before administration fees. Standard Deviation is a historical measure of the degree to which the portfolio's returns varied over time. The higher the standard deviation, the greater the likelihood that a portfolio's performance will fluctuate and exhibit volatility. Lower standard deviations indicate that the historical returns have been less volatile.

Growth of \$10,000



Fund facts	
Inception date	1 July 2012
Portfolio manager	Industry Fund Services
Asset Consultant	Frontier Advisors
Recommended investment timeframe	7 years plus
Performance-related fee	0.00%
Return objective	Inflation plus 3.0% per annum, over 7 years
Risk objective	Limit negative annual returns to 1 in 3
Investment Management fee	Direct: 0.15% (cap \$5m) Indirect: 0.14% Total: 0.29%

Fund Commentary

The model continued to perform during the quarter, returning 3.53% and bringing the 12 month return to a respectable 14.42%. The portfolio, containing only equities and listed property, would be expected to track positive movements in the equity markets. However the specific blend of equities and listed property has allowed for a strong return with lower volatility than simply investing in either domestic or overseas equities.

One of the key factors in the quarterly return was the allocation to foreign currency, which contributed 0.44% as the Australian dollar continued to weaken.

IFS High Growth Model – September 2018 Quarterly Report (continued)

Allocations

Geographic Allocation		Currency exposures	
Australia	50.7%	Australian Dollar	75.0%
United States	29.9%	US Dollar	15.5%
Japan	4.6%	Euro	3.0%
United Kingdom	3.4%	Japanese Yen	2.2%
France	1.6%	UK Pounds	1.7%

Top 5 Exposures		Top 5 International Exposures	
Commonwealth Bank of Australia	3.5%	Apple	1.0%
BHP Billiton	2.9%	Microsoft	0.7%
Westpac Banking Corporation	2.7%	Amazon	0.7%
Australia & New Zealand Banking	2.2%	Alphabet	0.7%
CSL	2.0%	Facebook	0.5%

Investments held

Australian Shares	49.2%
State Street Australian Equity Index Trust	Market cap weighted index fund (ASX 200)
Perpetual Wholesale Australian Share Fund	Value broad caps
Perpetual Wholesale Smaller Companies Fund	Value small caps
International Shares	39.33%
iShares Indexed International Equities	Market cap weighted index fund (MSCI W)
iShares Hedged Indexed International Equities	Market cap weighted index fund (MSCI W)
Property	10.48%
Macquarie Hedged Index Global Real Estate	Market cap weighted index fund (FTSE/EPRA)
Cash	0.99%
Colonial First State Wholesale Cash Fund	Actively managed domestic cash portfolio