

ANZ Dynamic 70 Diversified Portfolio



Investment strategy and approach

The Dynamic 70 Diversified Portfolio (‘the Portfolio’) is a diversified portfolio consisting of a combination of Australian shares, an exposure to International share markets, Alternatives, Real Assets, Fixed Income and Cash. The Portfolio dynamically tilts between the asset classes to grow and preserve capital. The Australian shares exposure is gained through a passive exposure to the 20 companies that comprise the S&P/ASX 20 Index, combined with two actively managed portfolios of 10-20 stocks each. The international shares portion of the Portfolio reflects ANZ’s Chief Investment Office and the Private Banking and Advice (PBA) Investment Council’s long-term view of international markets and the most appropriate exposures supporting this belief. The Alternative Assets exposure is gained through a Multi-Asset strategy and Real Assets exposure is gained through passive Global Listed Infrastructure and Global Listed Property Funds. The Portfolio will hold cash and cash equivalents for liquidity purposes.

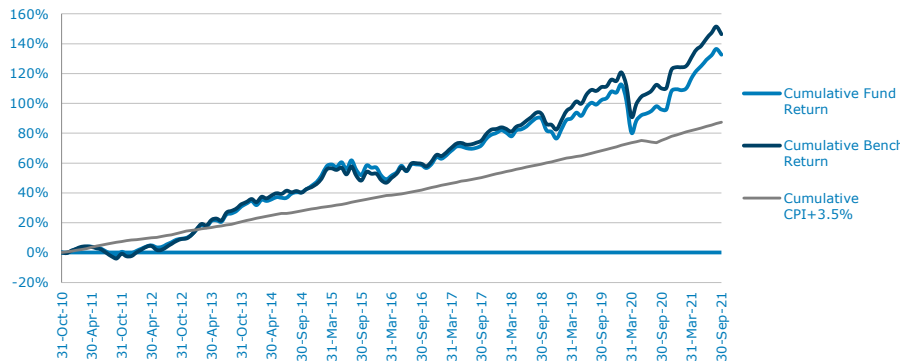
Over the long term, the investment objective of the Portfolio is to outperform Australian domestic inflation, as measured by the CPI, by 3.5% p.a. (before taxes and fees) over rolling 10 year periods.

Portfolio performance

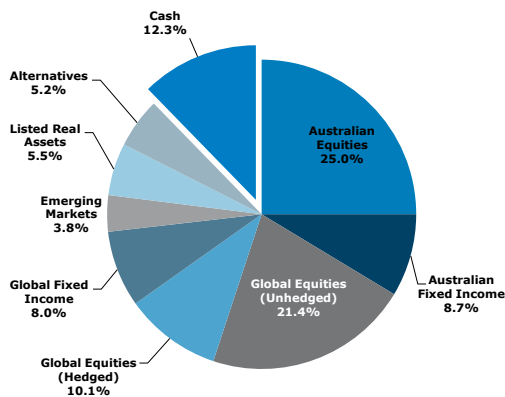
	1mth	3mths	1 yr	3yrs (p.a.)	5yrs (p.a.)	Since inception ⁴ (p.a.)
Total return ¹	-1.6%	1.5%	18.8%	7.0%	8.0%	8.0%
CPI+ 3.5% benchmark ²			7.1%	5.6%	5.7%	5.9%
Value added vs CPI benchmark ²			11.7%	1.4%	2.2%	2.1%
Benchmark return ³	-2.1%	1.2%	17.2%	8.4%	9.1%	8.8%
Value added vs benchmark ³	0.4%	0.4%	1.5%	-1.4%	-1.1%	-0.7%

- All returns are in Australian Dollars (AUD)
- CPI data is as at June 2021. Source: Reserve Bank of Australia. Before 1 October 2020, CPI target was CPI + 4%.
- Before 14 July 2017, the relative benchmark is a weighted average return of 32% - S&P/ASX 100 Accumulation Index, 26.6% - MSCI, 11.4% - MSCI Hedged, 10% - AusBond Composite Bond Index, 10% - Barclays Global Aggregate Hedged, 10% - AusBond Bank Bill Index. After 14 July 2017, the relative benchmark is a weighted average return of 26% S&P/ASX 300 Total Return Index, 18.5% MSCI World Index (Ex Australia) Net Return, 9.5% MSCI World Index (Ex Australia) Net Return Hedged, 4% MSCI Emerging Markets Net Total Return Index, 5% Bloomberg Aus Bond Bank Bill Index +4%, 3% FTSE EPRA/NAREIT Developed Rental ex Australia Net Return Hedged, 3% FTSE Developed Core Infrastructure Index Hedged, 12% Bloomberg Aus Bond Composite Bond Index, 8% Barclays Global Aggregate Index Hedged and 10% Aus Bond Bank Bill Index.
- Inception date is 1 November 2010
- Figures may not add up due to rounding. Performance is based upon the Model Portfolio. Individual Portfolios may differ due to factors that include timing of implementation, cash flows and corporate actions.

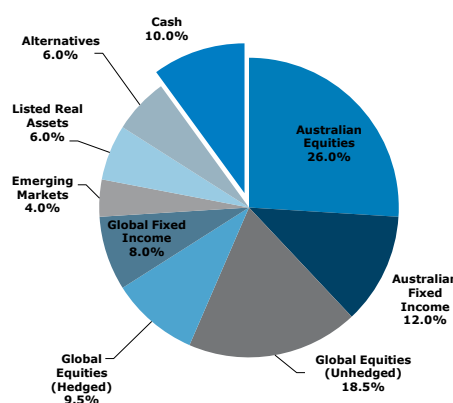
Portfolio performance since inception



Asset allocation



Strategic asset allocation benchmark



Asset class performance

	Portfolio return (1 mth)	Benchmark return (1 mth)	Portfolio return (1 year)	Benchmark return (1 year)	Benchmarks
Australian Equities	-1.0%	-1.9%	32.2%	30.9%	S&P/ASX 100 before 14 July 2017. S&P/ASX 300 after 14 July 2017.
Global Equities	-2.4%	-3.3%	29.9%	28.0%	MSCI World ex-Aus Accum Index Net Div AUD (30% hedged)
Australian Fixed Income	-1.4%	-1.5%	-0.8%	-1.5%	Bloomberg AusBond Composite Bond Index
Global Fixed Income	-1.0%	-1.0%	0.1%	-0.8%	Barclays Global Aggregate (100% Hedged)
Cash	-0.3%	0.0%	-0.1%	0.0%	Bloomberg AusBond Bank Bill Index
Emerging Markets (Unhedged)	-1.4%	-2.8%	16.5%	17.3%	MSCI Emerging Markets Net Total Return Index AUD
Listed Real Assets	-5.4%	-5.2%	21.2%	20.9%	50% FTSE Developed Core Infrastructure (AUD Hedged), 50% FTSE EPRA/NAREIT Developed Rental ex AU (AUD Hedged)
Alternatives	-0.6%	0.3%	3.5%	4.0%	Bloomberg AusBond Bank Bill Index plus 4%