



# Ventura Morningstar Balanced Managed Account Portfolio

## Trade Update

# 09 2022

All data and information as at 23/09/2022  
For Financial Adviser Use Only

VMAPS

### Asset Allocation themes<sup>1</sup>

Asset class	Change	New AA
Australian Equities	<b>-0.3</b>	10.1%
International Equities	<b>0.5</b>	35.4%
Property & Infrastructure	—	0.7%
Australian Bonds	—	22.5%
International Bonds	—	10.4%
Alternatives/Other	—	6.3%
Cash	<b>-0.2</b>	14.5%

### At a glance ....

- The portfolios continue to hold up well amongst the increasing volatility we are seeing across global financial markets.
- Following a good Australian reporting season for many of our portfolio holdings, we have taken profits on a number of names and rotated into stocks where we see more value as a result of the recent market volatility.
- The portfolios have also looked to rebalance the Korean Equities holding back to its target weight having seen a significant pull back in recent months.

### Growth vs Defensive splits<sup>1</sup>

Assets	Change	New Split
Growth	<b>0.2</b>	49.4%
Defensive	<b>-0.2</b>	50.6%

### Portfolio action

We have taken profits on a number of Australian stocks and rotated into names where we see value, while the Korean Equities allocation is also increased.

Security	Security/ APIR Code	Current Weighting	New Weighting	Increase / Decrease <sup>2</sup>
<b>Australian Equities</b>		<b>10.4%</b>	<b>10.1%</b>	<b>0.3%</b>
Australia & New Zealand Banking Group Limited	ANZ-AU	0.0%	<b>1.1%</b>	<b>1.1%</b>
Newcrest Mining Limited	NCM-AU	0.7%	<b>1.1%</b>	<b>0.4%</b>
Brambles Limited	BXB-AU	2.3%	<b>1.4%</b>	<b>0.9%</b>
Woodside Energy Group	WDS-AU	1.3%	<b>0.9%</b>	<b>0.4%</b>
Medibank Private Limited	MPL-AU	1.6%	<b>1.1%</b>	<b>0.5%</b>
James Hardie	JHX-AU	0.0%	<b>0.8%</b>	<b>0.8%</b>
Commonwealth Bank of Australia	CBA-AU	0.7%	<b>0.0%</b>	<b>0.7%</b>
<b>International Equities</b>		<b>34.9%</b>	<b>35.4%</b>	<b>0.5%</b>
iShares MSCI South Korea ETF	IKO-AU	2.6%	<b>3.1%</b>	<b>0.5%</b>
<b>Cash</b>		<b>14.8%</b>	<b>14.5%</b>	<b>0.2%</b>
Platform Cash		2.8%	<b>2.6%</b>	<b>0.2%</b>

<sup>1</sup> May not sum to 100.0% due to rounding.

<sup>2</sup> Morningstar Investment Management considers Alternatives/Other to be 50% Growth / 50% Defensive assets.

### About Morningstar Investment Management Australia

Morningstar Investment Management Australia is a global leader in asset allocation and multi-asset portfolio construction.

Morningstar's long-term, valuation-driven approach is underpinned by an emphasis on preserving capital and undertaking analysis of global asset classes and securities. We invest with the client in mind, delivering holistic and cost-effective investment solutions, helping them to meet their investment goals.

### ***Rationale***

As has been the case for much of 2022, markets continue to exhibit elevated levels of volatility relative to what we have been accustomed to in years prior. Generally, the portfolios have held up relatively well seeing portfolio losses far superior to what we have seen in broad share and debt markets. Notwithstanding this, the portfolios continue to be monitored carefully and as part of this and in conjunction with our usual post Australian reporting season review a number of portfolio adjustments have been undertaken.

The results from the reporting season have been generally better than expectations with a key focus on the higher inflation environment. The Australian Equity component of the SMAs has significantly outperformed the broader market in 2022 YTD, big drivers of this outperformance have been Woodside, Brambles, and Medibank, therefore we have taken profits from these holdings and have rotated them into assets where we see more value. This has included increasing our holdings to ANZ and introducing James Hardie into the portfolios which is a manufacturer of fibre cement siding and backerboard. We are adding James Hardie to the portfolios given our ongoing view this is a quality business with strong market positions across its key markets. Price moves over the course of 2022 due to concerns about the impact of recession look overdone in our view and we look to add exposure to this quality business. South Korea has long been an attractive asset due to its high expected returns. It has recently weakened due to market volatility, so we have rebalanced this back to its target weight.

## Portfolio Post Changes

Security	Security/APIR Code	GICS Industry Group	New Weighting <sup>3</sup>
<b>Australian Equities</b>			<b>10.1%</b>
Brambles Limited	BXB-AU	Industrials	1.4%
Westpac Banking Corporation Limited	WBC-AU	Financials	1.2%
Medibank Private Limited	MPL-AU	Financials	1.1%
Australia & New Zealand Banking Group Limited	ANZ-AU	Financials	1.1%
Newcrest Mining Limited	NCM-AU	Materials	1.1%
CSL Limited	CSL-AU	Pharmaceuticals, Biotechnology & Life Sciences	1.0%
Insurance Australia Group Limited	IAG-AU	Financials	0.9%
Woodside Energy Group Limited	WDS-AU	Energy	0.9%
James Hardie Industries PLC	JHX-AU	Materials	0.8%
Resmed Inc.	RMD-AU	Health Care Equipment & Services	0.7%
Commonwealth Bank of Australia Limited	CBA-AU	Financials	0.0%
<b>International Equities</b>			<b>35.4%</b>
Morningstar International Shares Active ETF	MSTR-AU		6.8%
Morningstar International Shares Fund	INT0017AU		5.6%
BetaShares FTSE 100 ETF	F100-AU		5.2%
iShares Core MSCI World (Ex Australia) ESG Leaders ETF	IWLD-AU		4.0%
iShares MSCI Japan ETF	IJP-AU		3.3%
iShares MSCI South Korea ETF	IKO-AU		2.2%
iShares China Large-Cap ETF	IZZ-AU		1.8%
Vanguard FTSE Europe Shares ETF	VEQ-AU		1.5%
BetaShares Global Energy Companies ETF (AUD Hedged)	FUEL-AU		1.5%
Vanguard FTSE Emerging Markets Shares ETF	VGE-AU		1.3%
iShares Europe ETF	IEU-AU		1.3%
iShares MSCI Emerging Markets ETF	IEM-AU		1.1%
<b>Property &amp; Infrastructure</b>			<b>0.7%</b>
GPT Group	GPT-AU		0.7%
<b>Australian Bonds</b>			<b>22.5%</b>
iShares Core Composite Bond ETF	IAF-AU		15.2%
Vanguard Australian Fixed Interest ETF	VAF-AU		7.3%
<b>International Bonds</b>			<b>10.4%</b>
Morningstar International Bonds Fund	INT0082AU		10.4%
<i>BNY Mellon Global Aggregate Bonds</i>			
<i>Colchester Global Sovereign Bonds</i>			
<i>Ashmore Emerging Market Bonds</i>			
<b>Alternatives/Other</b>			<b>6.3%</b>
Morningstar Multi Asset Real Return Fund	INT0011AU		6.3%
<b>Cash</b>			<b>14.5%</b>
iShares Core Cash ETF	BILL-AU		8.1%
BetaShares Australian High Interest Cash ETF	AAA-AU		3.9%
Platform Cash	CASH_AUD		2.5%
		<b>Total</b>	<b>100.0%</b>

<sup>3</sup> May not sum to 100.0% due to rounding.

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We put investors first



We're independent-minded



We invest for the long term



We're valuation-driven investors



We take a fundamental approach



We strive to minimise costs



We build portfolios holistically