

Milliman Smartshield Growth



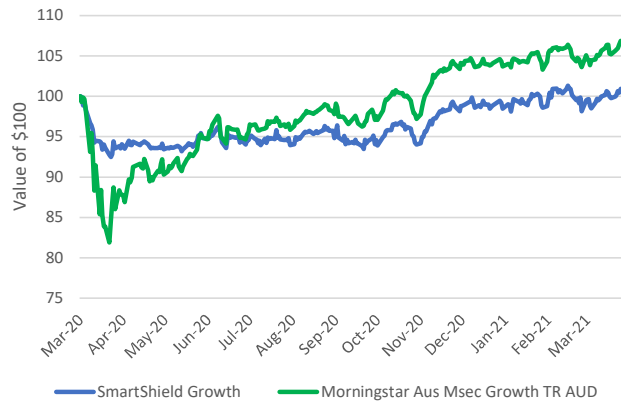
Quarter in Review - Q1 2021

MARKET SNAPSHOT

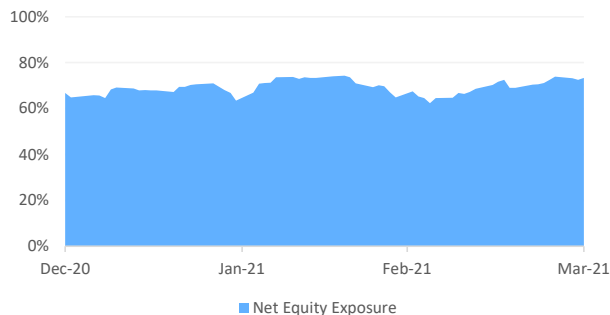
Overall market activity has continued along the same trajectory seen at the end of 2020. The post-pandemic recovery remains consistent in the first quarter of 2021, with an early market surge witnessed, on the back of further large-scale stimulus and infrastructure programs.

Uncertainty is still simmering in the background as the financial stimulus is causing inflationary pressures and concern about an asset pricing bubble. While there is good momentum with the roll-out of the COVID vaccine programs, a cloud has been cast over the safety of the AstraZeneca vaccine. As a result this has led to precautionary halts in Europe as well as Australia, for younger candidates.

Following the lead of the S&P 500, which gained +5.8% due to vaccine optimism and ample liquidity flooding the market, the ASX200 gained +3.1% during Q1 2021. Market Volatility has wound down slightly during the quarter, with the VIX on the ASX 200 reducing from 13.9% to 12.1%. The US Dollar continues to weaken against the other major currencies but it has however, gained ground against the AUD as commodity prices have declined. AUD reduced by -1.3% against USD, closing the quarter at 75.98 US Cents.



SMARTSHIELD OVERLAY



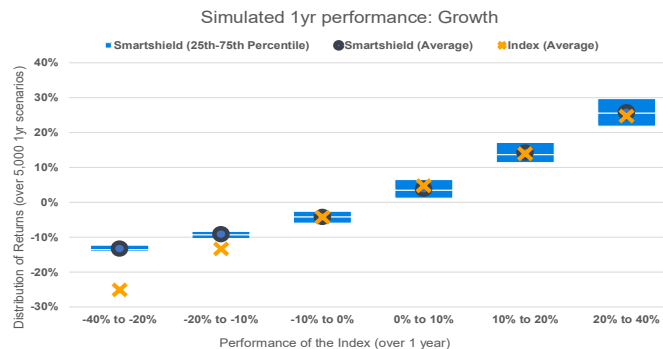
The risk management overlay has played a critical role in the first quarter's performance. As large stimulus packages continue to be pumped into the Australian economy (and other countries worldwide), the risk of inflationary pressure and potential asset price bubble is ever present. Hedging levels have marginally reduced over the quarter, allowing the portfolio more participation on the upside as markets head upwards.

The growth portfolio ended Q1-2021 with net equity exposure at 74%.

PERFORMANCE OUTLOOK

The United States continues to face further Covid outbreaks, with the Biden administration continuing to ramp up its large-scale stimulus measures to keep the American economy going, amid the vaccination program. With vaccine roll-outs active across much of the world, news of a possible blood clotting side effect of the AstraZeneca vaccine in younger people has led to some delays as countries suspend the program.

As we progress into another year dealing with the new 'COVID normal' environment and asset pricing inflationary pressures, providing investors protection with their life savings is as important as it has ever been. As a result of the portfolio's tilt towards growth assets and the Smartshield overlay winding back its hedges, the portfolio is expected to participate in most of the upside, should markets perform strongly going forward. In the event of any future market sell-offs, the dynamic risk management strategy is well positioned to act swiftly, as it did in 2020.

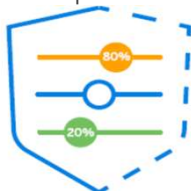


PERFORMANCE	1 month	3 months	6 months	1 year	2 year	Since Inception
SmartShield Growth	2.88%	2.57%	7.39%	7.27%		0.92%
Benchmark: Morningstar Aus Msec Growth TR AUD	2.91%	2.84%	9.88%	15.68%		6.15%

RISK METRICS SINCE INCEPTION	Volatility (Annualised)	Max Drawdown
SmartShield Growth	8.72%	-7.52%
Benchmark: Morningstar Aus Msec Growth TR AUD	16.26%	-18.10%

BENEFITS

- Built-in portfolio protection
- Diversified
- Dynamically managed
- Low cost
- Flexibility & control
- Participate in market upside



PORTFOLIO HOLDINGS

80% GROWTH ASSETS

iShares S&P 500
iShares MSCI EAFE
Vanguard Australian Shares
Vanguard Australian Property
Even Keel - Global & Domestic Risk management Classes

20% DEFENSIVE ASSETS

BetaShares Australian High Interest Cash
Vanguard Australian Fixed Interest
Vanguard Global Aggregate Bond AUD Hedged
Cash

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