



MITCHELL SNEDDON
HEAD OF PORTFOLIO SERVICES

The InvestSMART model portfolios

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DISCLAIMER This publication has been prepared from a wide variety of sources, which InvestSMART Pty Ltd, to the best of its knowledge and belief, considers accurate. You should make your own enquiries about the investments and we strongly suggest you seek advice before acting upon any recommendation.

PERFORMANCE Past performance is not a reliable indicator of future results. Our performance figures are hypothetical and based on recommendations from Intelligent Investor using stock prices at date of publication. Brokerage costs have not been included. As stocks rise and fall, returns may be negative. We encourage you to think of investing as a long-term pursuit.



What we will cover

- A reminder of diversification and the importance of rebalancing
- How we select the individual ETFs
- Full breakdown of two investment portfolios
- Using the InvestSMART portfolios with the Intelligent Investor portfolios
- General account structure





RETIREMENT

BONDS

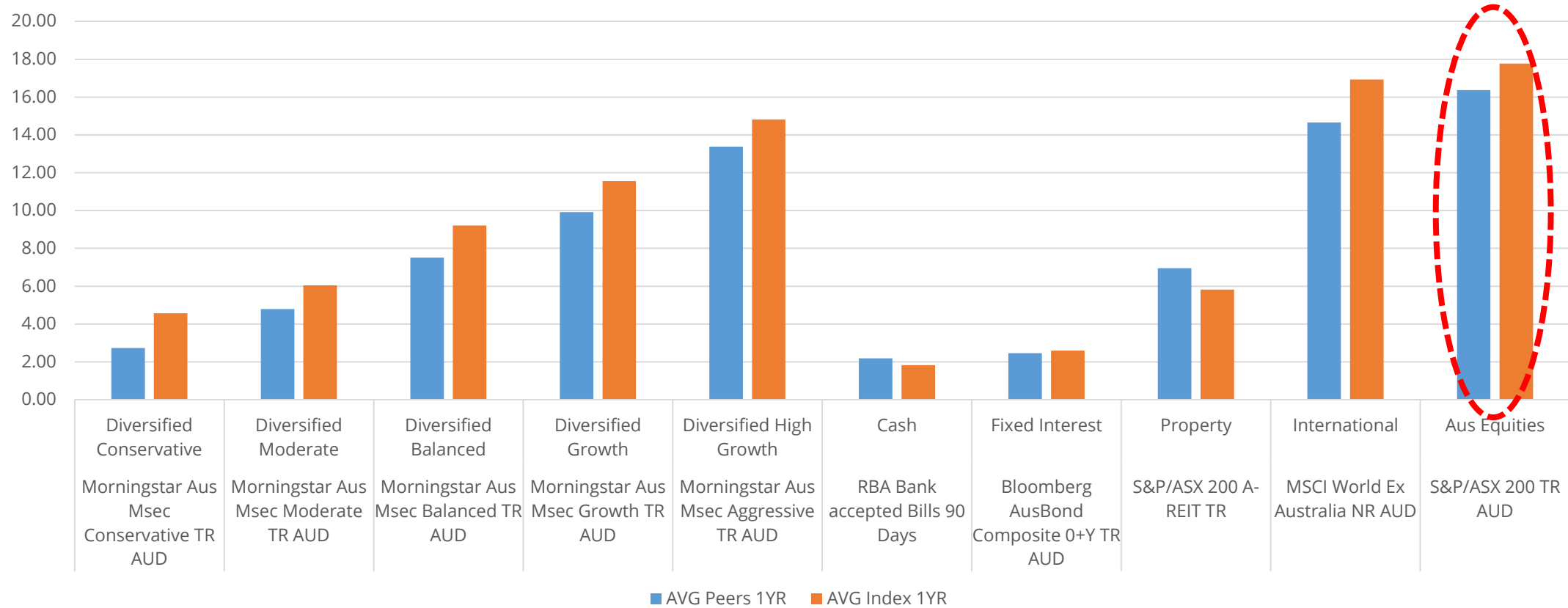
Why does asset allocation matter?

PROPERTY

SHARES

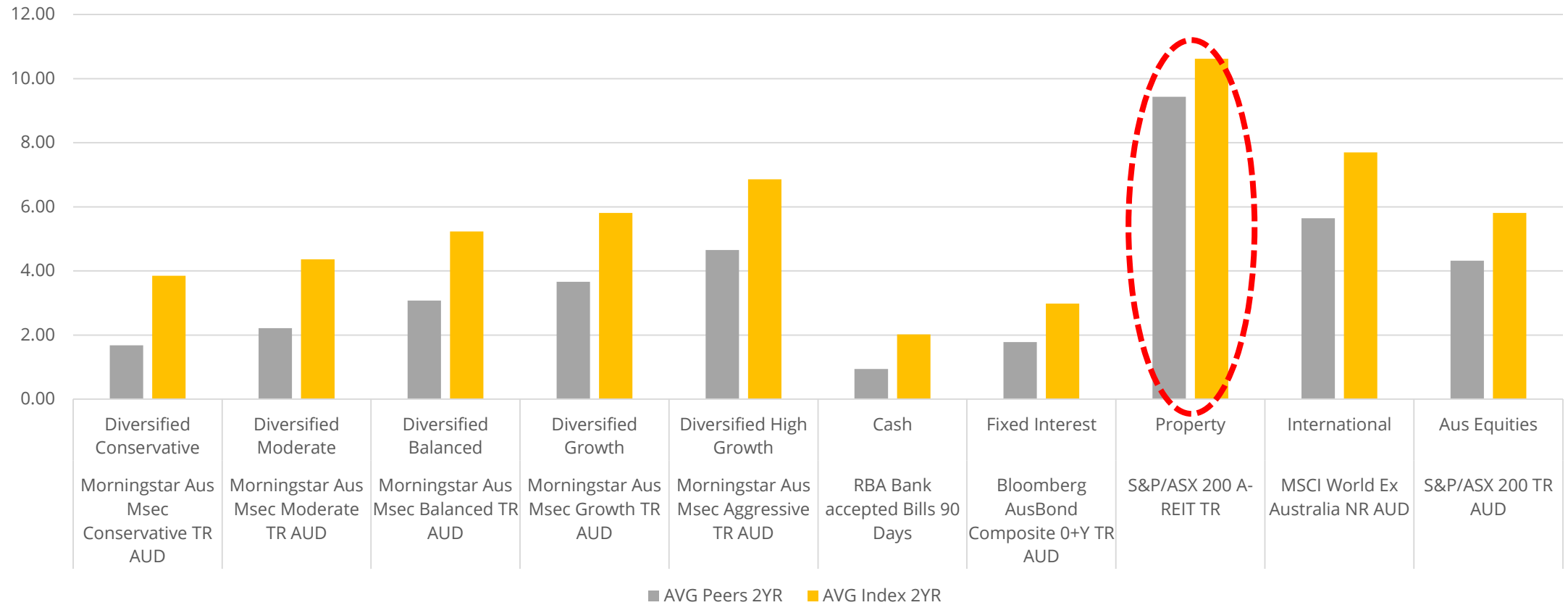


1Yr Relative Performance



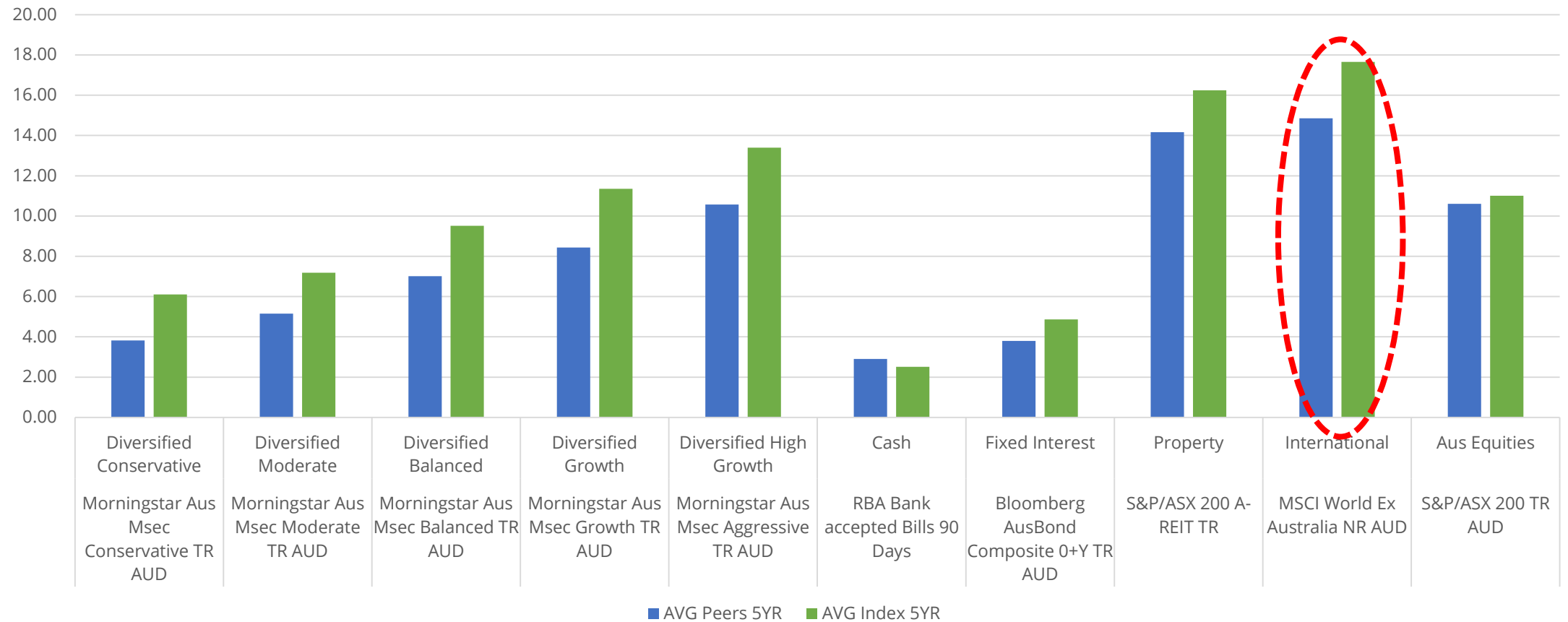


2Yr Relative Performance



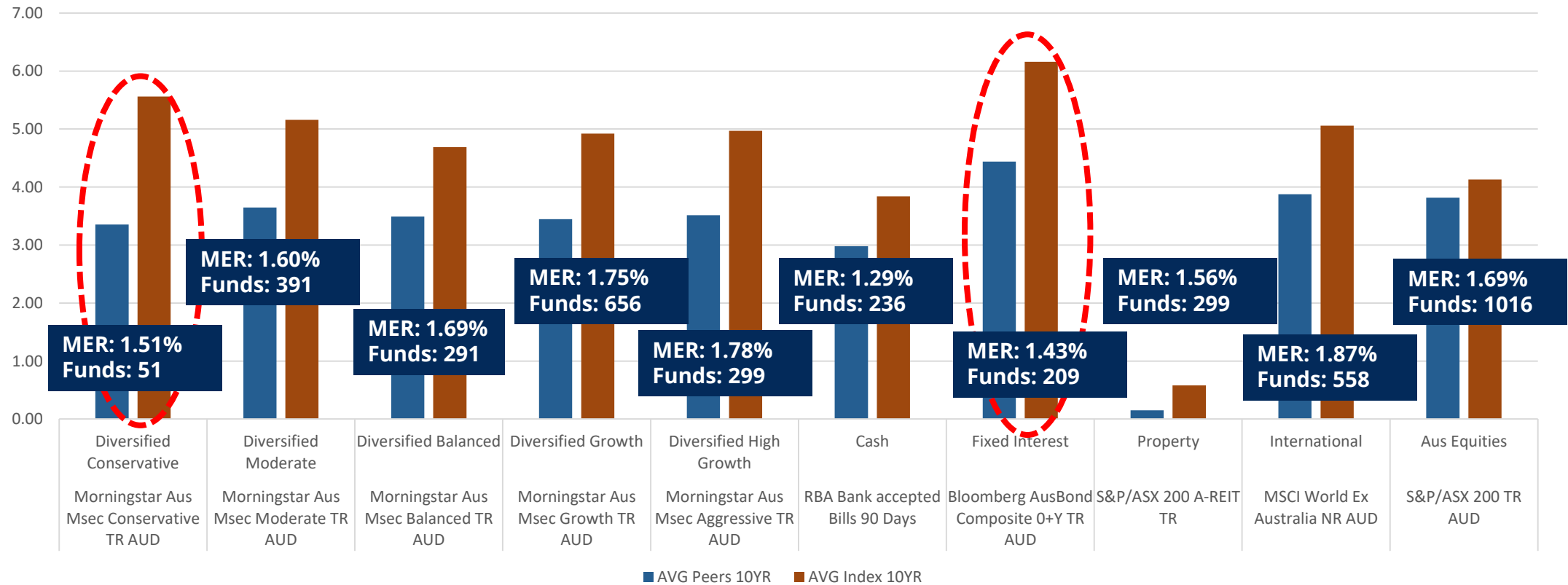


5Yr Relative Performance



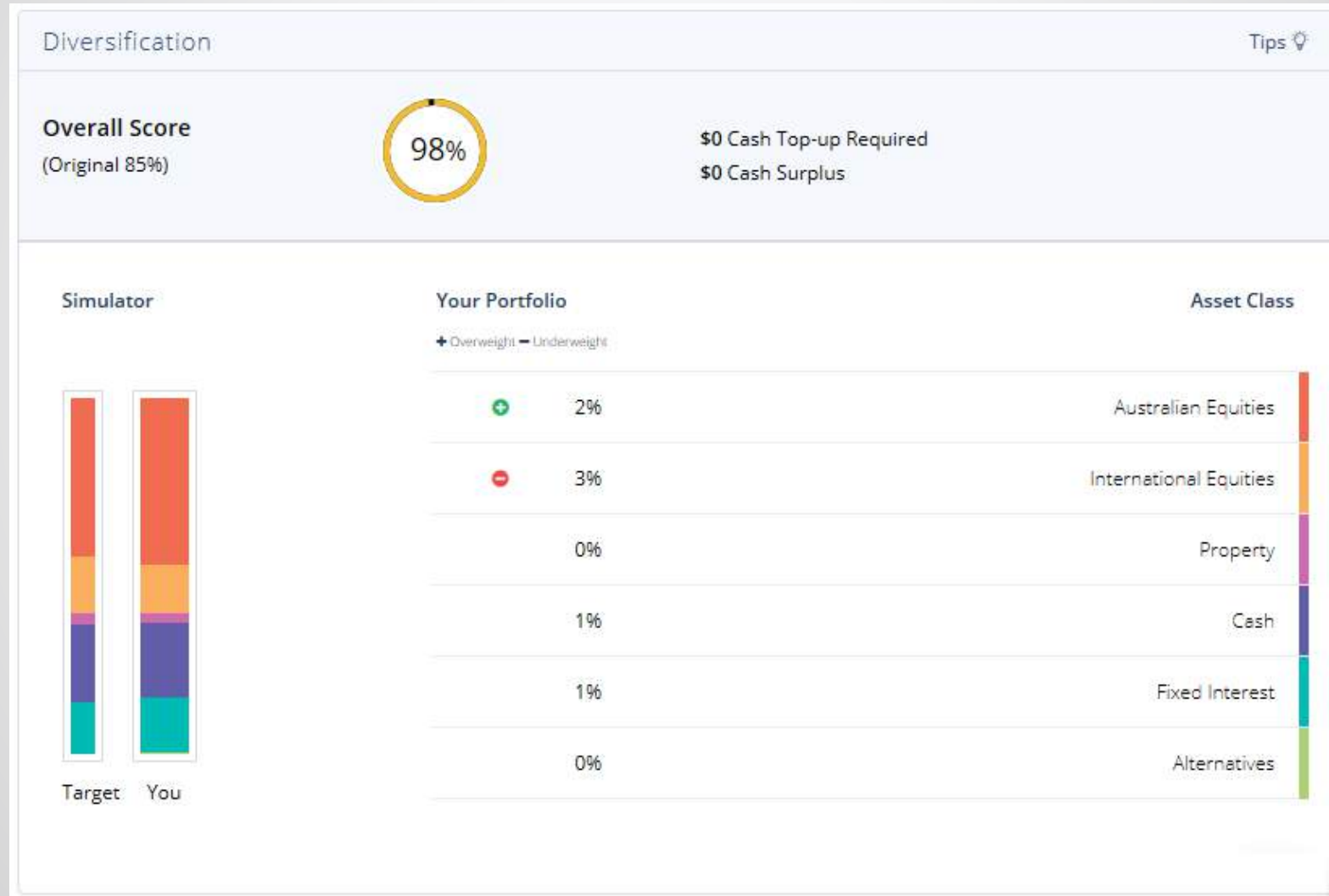


10Yr Relative Performance



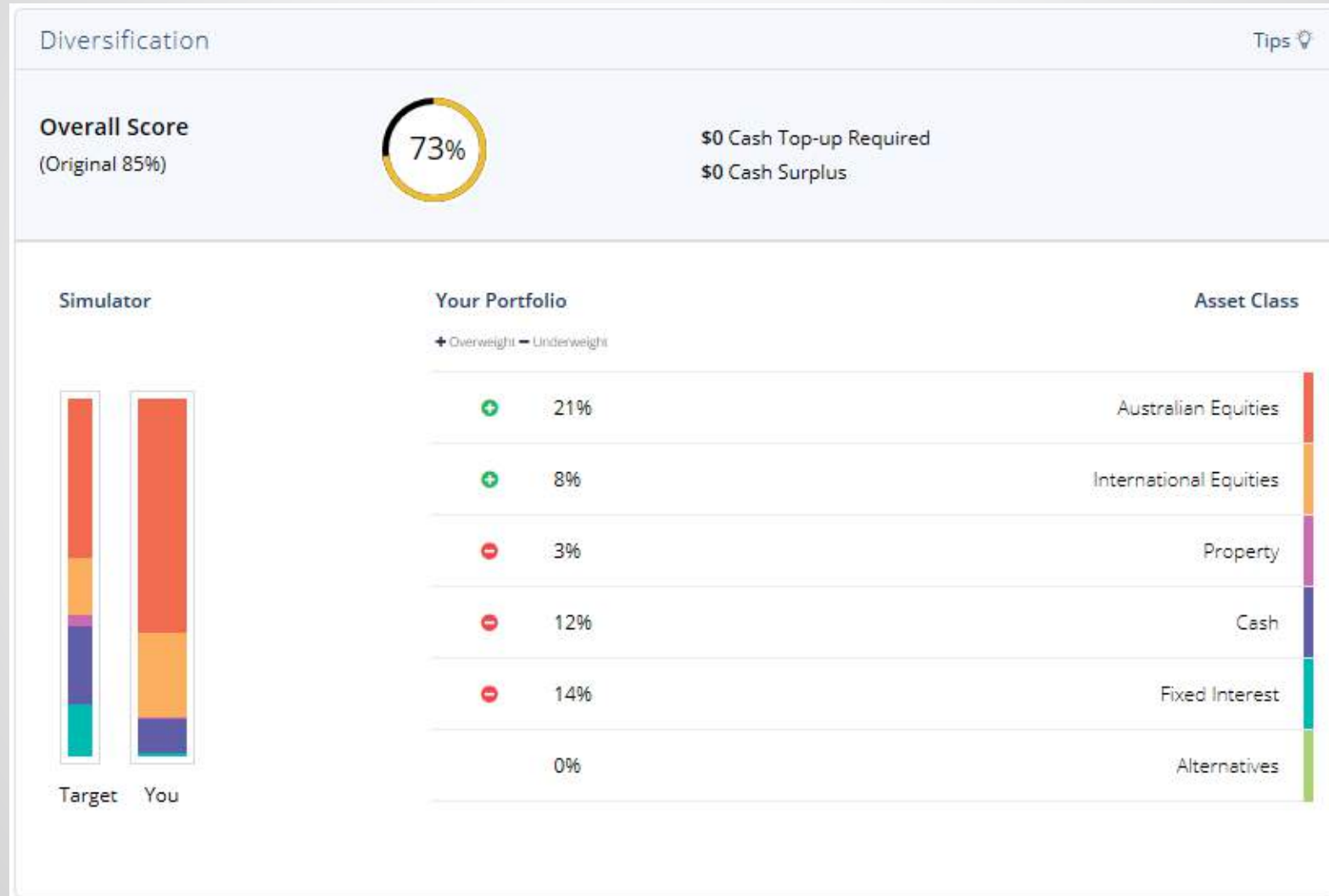


Health Check – Balanced in 2001





Not so Balanced in 2007

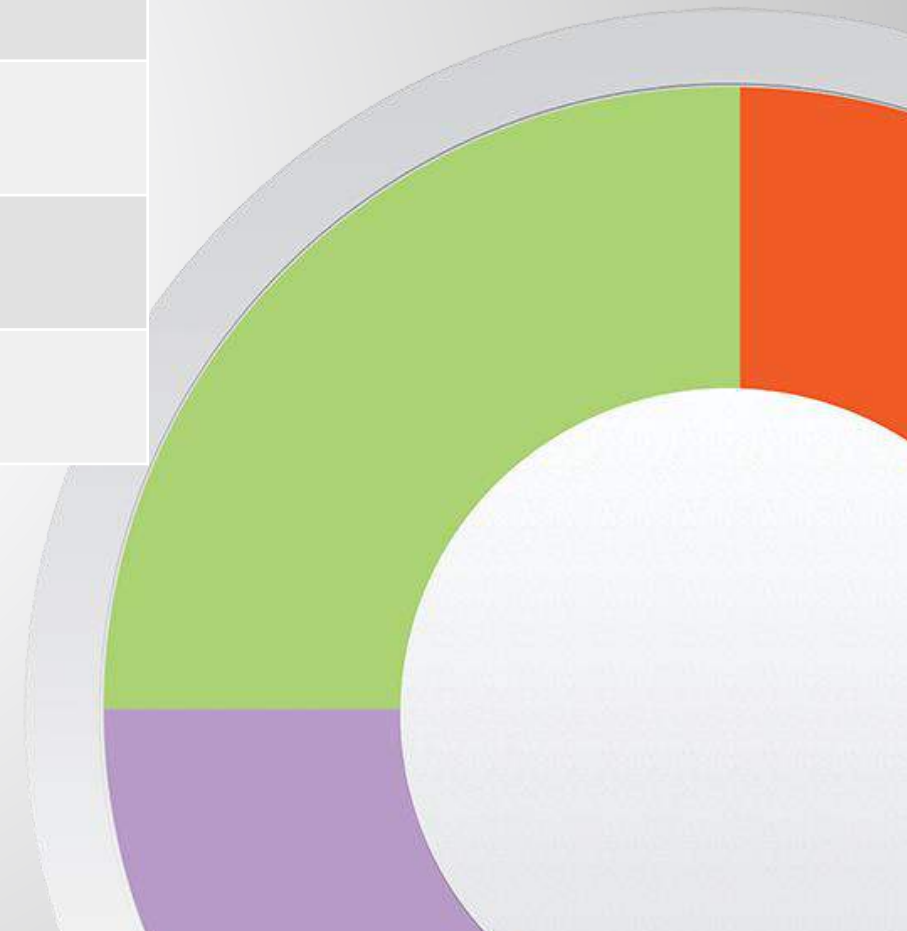




Core Growth Portfolio breakdown

Code	Name	Exposure	MER*
IOZ	iShares Core S&P/ASX 200 ETF	Aus. shares	0.15%
VEU	Vanguard All-World Ex US Shares Index ETF	International shares ex. US	0.11%
IVV	iShares S&P 500 ETF	500 largest US companies	0.04%
VEQ	Vanguard FTSE Europe Shares ETF	Major European markets	0.35%

*Approximate MER





Core Growth Portfolio breakdown

Code	Name	Exposure	MER*
VAP	Vanguard Aus Property Securities Index ETF	Largest real estate investment trusts	0.23%
IFRA	VanEck Vectors FTSE Global Infrastructure ETF	Global utilities, transport etc	0.52%
AAA	BetaShares Aus High Interest Cash ETF	Australian bank term deposits	0.18%
IAF	iShares Core Composite Bond ETF	Treasury & Government bonds	0.20%
N/A	Macquarie Income Opportunities Fund	Global credit-based securities	0.49%

*Approximate MER



Core Growth Portfolio breakdown

Asset Class	Percentage
Australian Equities	28.73%
International Equities	29.06%
Property	14.43%
Fixed Interest	19.08%
Cash	8.76%
Total approximate MER	0.20%





International Equities Portfolio

Regions	Exposure
America	47.6%
Asia	6.5%
Australia	2.1%
Emerging Markets	4.0%
Europe	22.8%
Japan	6.9%
United Kingdom	8.0%

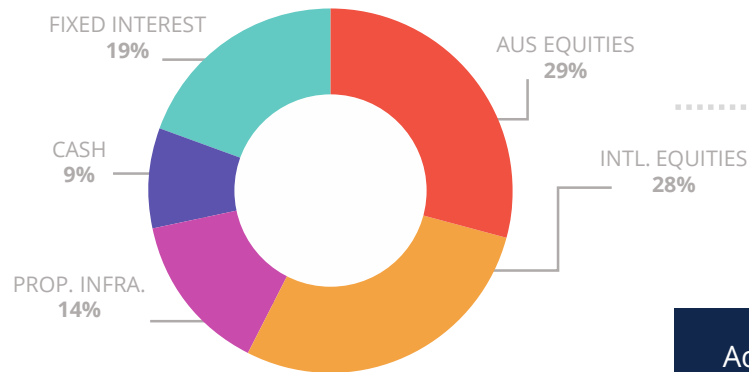




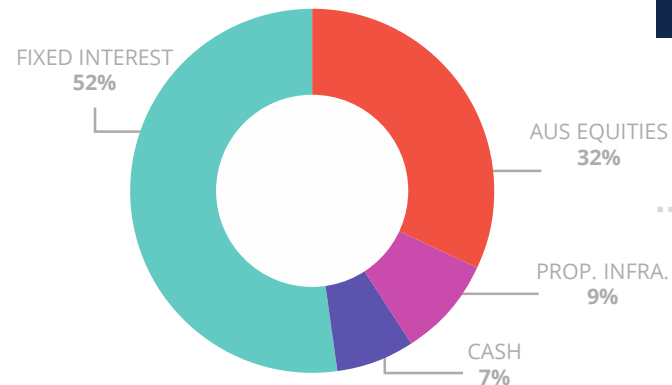
Core and Satellite Portfolios

CORE PORTFOLIOS

CORE GROWTH PORTFOLIO



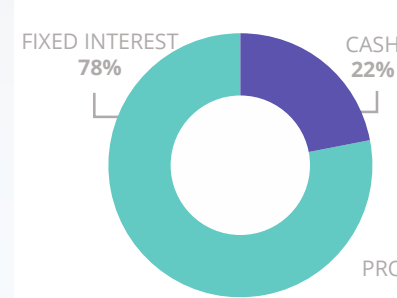
DIVERSIFIED INCOME PORTFOLIO



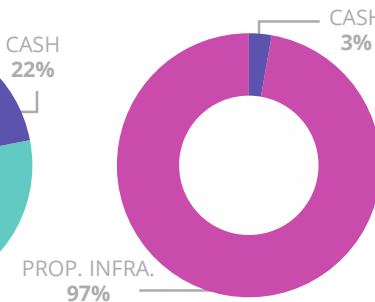
Active asset class allocation, using a mix of ETF's and managed funds

SATELLITE PORTFOLIOS

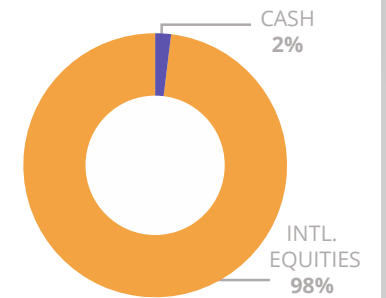
FIXED INTEREST PORTFOLIO



PROPERTY PORTFOLIO

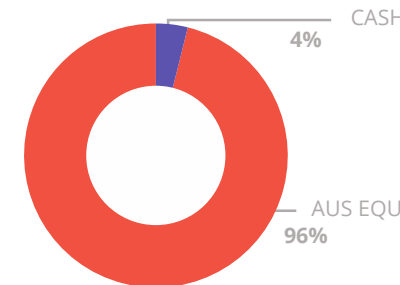


INTERNATIONAL PORTFOLIO

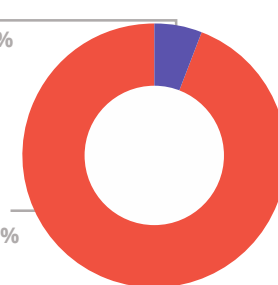


Active asset class allocation, using a mix of ETF's and managed funds

EQUITY INCOME PORTFOLIO



EQUITY GROWTH PORTFOLIO



Active management of Australian Equity portfolio



Separately managed account structure

- They are not pooled investments
- Client retains beneficial ownership of shares
- Full flexibility with payments & distributions
- Better tax efficiency
- Your portfolio is not impacted by the inflows & outflows of other clients



MITCHELL SNEDDON
HEAD OF PORTFOLIO SERVICES

Questions?

You can reach me at m.sneddon@investsmart.com.au

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