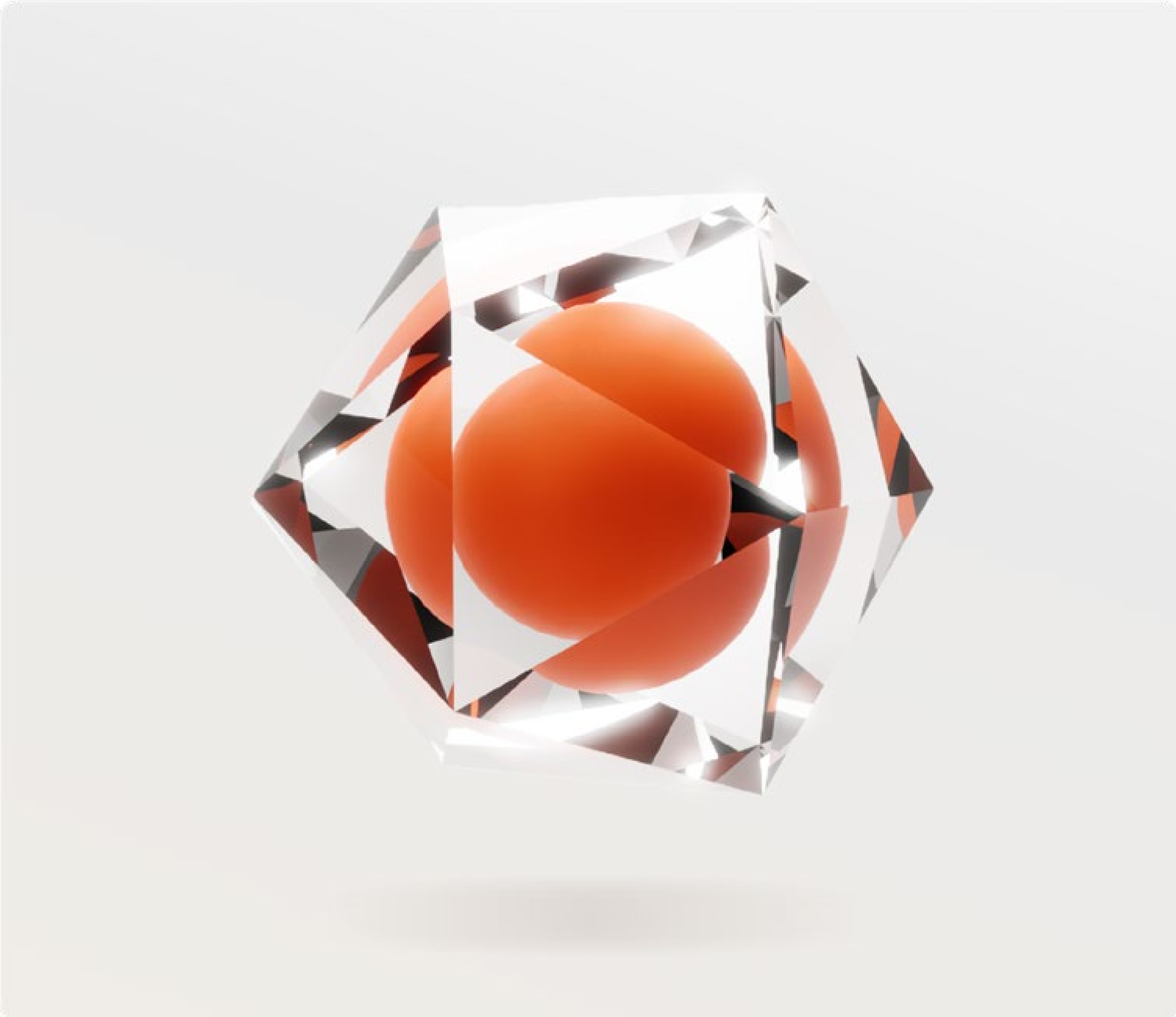

Betashares Dynamic Managed Accounts Report

Period ending November 2024

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1. Market Review

The beginning of official US interest rate cuts from the Federal Reserve and the re-election of Donald Trump as US President were key global market highlights over the period (3 months to end-November).

Economic growth in the United States remained solid, despite brief disruptions caused by hurricanes and strike activity in recent months. Although annual core US consumer price inflation has held up recently at around 2.8%, market and Federal Reserve confidence in further declines in inflation has yet to be shaken. Japan's economic growth has also lifted in recent quarters, though economic conditions in Europe remain subdued.

Weak consumer spending and a sluggish property sector saw China's economy continue to grow at subdued pace, with a series of policy stimulus announcements so far offering only limited support to investor sentiment. In Australia, continued solid employment growth and sticky inflation saw the Reserve Bank push back against market hopes for lower official interest rates anytime soon.

Although geo-political concerns persisted in Europe and the Middle East, they remained largely contained – with a tentative cease-fire deal agreed between Israel and Hezbollah.

As noted above, a key market development over the past three months was the start of US interest rate cuts. The Federal Reserve cut rates by a larger-than-expected 0.5% in September and followed up with a further 0.25% rate cut in November. The Fed signaled further gradual declines in official rates are likely in coming months.

US 10-year Government Bond Yields

Source: Refinitiv.

Politically, the re-election of Donald Trump as US President was the other major event, which continued the trend this year of many political parties losing office at elections given lingering cost-of-living pressures around the world. Reflecting Trump's promises to cut taxes but also engage in trade wars, early market reaction to his victory was to push up US equities, Treasury yields and the US dollar. European, Japanese and Chinese equities responded less enthusiastically.

All up, US 10-year bond yields rose by 0.27% over the three months to end November to 4.17%. German 10-year bond yields fell 0.21% to 2.09%, while Japanese 10-year yields lifted by 0.15% to 1.05%. The yield- to-maturity for the Bloomberg Global Aggregate Bond Index edged up slightly by 0.05% to 3.52%.

Broadly steady global yields meant the Bloomberg Global Aggregate Bond Index ($A hedged) returned 0.7% after a gain of 3.7% in the previous three-month period.

In Australia, economic growth remained subdued, weighed down by weak consumer spending though employment growth remained solid, with the unemployment rate still at a low of 4.1%. The September quarter consumer price index report revealed a further decline in annual trimmed mean inflation from 4.0% to 3.5%. Although underlying inflation continued to decline, it remains higher than the RBA's 2-3% target band. Market expectations for RBA rate cuts were pushed later into next year – which along with higher US bond yields – resulted in a 0.37% rise in Australian Government 10-year bond yields to 4.4%. The yield on the Bloomberg Australian Composite Bond Index rose by rose by 0.31% to 4.43%. As a result, returns from the Bloomberg Australian Composite Bond Index declined by 0.5% over the three months to end-November, following solid 3.5% gain in the previous three-month period.

Among defensive assets, gold prices continued to move higher, with a solid 5.6% gain over the period after a strong 7.6% gain over the previous three-month period. Gold prices did fall somewhat, however, following the election of Donald Trump, likely reflecting higher bond yields and the US dollar.

Despite higher bond yields, global equity price-to-earnings (PE) valuations rose a further 4.6% over the period to 18.5, while forward earnings growth was flat. Including dividends, the MSCI All-Country World Equity Index returned 4.9% in local currency terms and, due to a weaker Australian dollar, 8.1% in unhedged $A terms.

MSCI All Country World Equity Return Index

Source: Refinitiv. *MSCI All Country World Index Return (Local currency)

The US S&P 500 returned 7.2%, with negative returns in Japan, Europe and emerging markets, but a stronger 5.3% gain in emerging markets. Global infrastructure returned 5.3%.

Among factors, growth and small Cap returns were especially strong, with consumer discretionary and financials the two best performing sectors.

As in the US, higher local bond yields did not stop local equities from moving higher. Forward earnings for companies in the S&P/ASX 200 Index rose 1.2% while the price-to-forward earnings (PE) valuation rose by 3.1% to 18.5. Including dividends, Australian equities returned 5.5%, with especially strong gains in the technology and financial sectors. Similar to the global landscape, local growth companies and small caps also performed well.

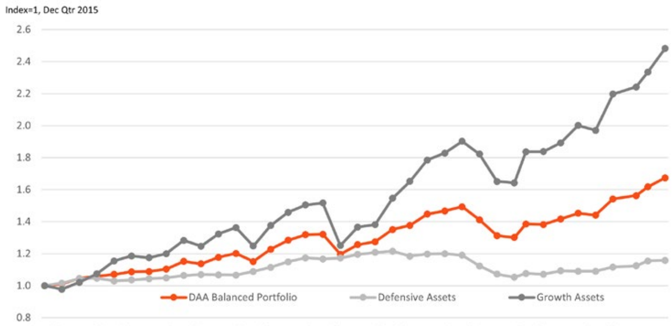
Despite higher bond yields, the interest-rate sensitive listed property sector returned 6.2%, after a 7.6% return in the previous three-month period.

2. Portfolio Review[1]

Returns across both defensive and growth assets were positive over the period to end-November, though growth asset returns were significantly stronger.

Overall defensive assets returned 0.3%, while growth assets returned 6.4%.

Dynamic Balanced Portfolio Performance



Source: Bloomberg, Betashares. Past performance is not an indicator of future performance. Growth and defensive asset returns are based on SAA (balanced) ETF weights.

As a result, the suite of dynamic managed accounts produced solid positive returns over this period. The Balanced portfolio returned 3.5%, or slightly ahead of its SAA benchmark return of 3.3%, reflecting our overweight to growth assets over defensive assets and gold within defensive assets.

November Quarter 2024 (Quarterly performance)

	% return	Balanced Portfolio Weights As at end of August 2024		
	Nov qtr	SAA	DAA	+/-
Defensive Assets*	0.3%	50.00%	47.50%	-2.50%
Cash (AAA)	1.1%	5.00%		
Aust. Floating-Rate Bonds (QPON)	1.3%	4.50%	4.75%	0.25%
Aust. Fixed-Rate Bonds (OZBD)	-0.5%	22.50%	22.25%	-0.25%
Global Bonds (VBND)	0.7%	18.00%	18.00%	
Gold (QAU)	5.1%		2.50%	2.50%
Growth Assets*	6.4%	50.00%	52.50%	2.50%
Aust. Equities (A200)	5.3%	12.00%	12.00%	
Aust. Equities (QOZ)	4.7%	5.25%	5.25%	
Aust. Equities (AQLT)	7.8%	2.75%	2.75%	
US Equities (QUS)	11.4%	3.75%	3.75%	
US Equities (VTS)	12.5%	7.50%	7.50%	
Non-US Equities (VEU)	1.1%	6.75%	6.75%	
Global Equities (QLTY)	6.0%	3.00%	3.00%	
Global Equities (HGBL)	5.2%	6.50%	9.00%	2.50%
Global Infrastructure (GLIN)	5.3%	2.50%	2.50%	
Quarterly % return		3.3%	3.5%	

*Defensive and growth asset returns are based on SAA weights.
Attribution equals the difference in each ETF's quarterly return vs. overall SAA portfolio return multiplied by the difference between that ETF's DAA and SAA weights.

Balanced Portfolio: Performance Attribution

Balanced Dynamic Portfolio

	Nov qtr	6-months	1-year	3-years	5-years
Return performance					
SAA	3.3%	8.3%	15.8%	4.6%	5.0%
DAA	3.5%	8.6%	16.1%	4.4%	4.6%
DAA vs SAA*	0.3%	0.3%	0.3%	-0.3%	-0.4%
Performance attribution**					
Growth vs. Defensive	0.2%	0.2%	0.2%	-0.2%	-0.4%
Intra defensive	0.1%	0.1%	0.2%	0.1%	0.0%
Intra growth	0.0%	0.0%	-0.1%	-0.2%	0.0%

* Figures may not add up due to rounding.
**Growth vs. defensive refers to broad dynamic tilts between growth and defensive assets. Intra-defensive and intra-growth refer to tilts within each broad asset type. Attribution equals the difference in each ETF's quarterly return vs. overall SAA portfolio return multiplied by the difference between that ETF's DAA and SAA weights.

Among defensive assets, Australian fixed-rate bond returns declined, due to the lift in local bond yields though global bond returns were positive.

Australian fixed-rate bond returns, via the OZBD ETF, declined by 0.5%. Global fixed-rate bonds, via the VBND ETF, returned 0.7%. Australian floating-rate bonds, via the QPON ETF, returned 1.3%, while the cash AAA ETF returned 1.1%.

Among growth assets, global equities modestly outperformed Australian equites, with the former benefitting from relatively stronger gains in US equities.

Global equities overall returned 7.0%, with a 12.5% return for unhedged US equities (VTS) compared to 1.1% for unhedged non-US equities (VEU). Currency-hedged developed market global equities (HGBL) and global infrastructure (GLIN) returned 5.2% and 5.3% respectively.

Among "smart beta" global equity exposures, the global quality ETF (QLTY) slightly underperformed global equities with a 6.0% return. The equally-weight US stock ETF (QUS) also slightly underperformed its market-cap-weighted counterpart (VTS) with 11.4% return.

Australian equities returned 5.5%, with A200 ETF returning 5.3%. The fundamentally weighted equity ETF (QOZ) slightly underperformed its market-cap weighted counterpart (A200), with a 4.7% return, while Australian quality (AQLT) outperformed with a solid 7.8% return.

Managed Account ETF Historic Returns

	Nov qtr	Mar-Jun	6-months	12-months
Defensive Assets	0.3%	3.4%	3.7%	6.2%
Cash (AAA)	**1.1%**	**2.2%**	**2.2%**	**4.5%**
Aust. Bonds	**-0.2%**	**3.7%**	**3.4%**	**6.6%**
Aust. Floating-Rate Bonds (QPON)	1.3%	3.0%	2.7%	6.0%
Aust. Fixed-Rate Bonds (OZBD)	-0.5%	3.8%	3.6%	6.8%
Global Bonds (VBND)	**0.7%**	**3.5%**	**4.5%**	**5.9%**
Gold, $US (QAU)	**5.1%**	**22.8%**	**12.5%**	**28.1%**
Growth Assets	6.4%	6.3%	11.7%	26.0%
Aust. Listed Property (VAP)	**6.1%**	**10.8%**	**14.1%**	**38.8%**
Aust. Equities	**5.5%**	**7.0%**	**11.4%**	**23.5%**
Aust. Equities (A200)	5.3%	7.1%	11.4%	23.4%
Aust. Equities (QOZ)	4.7%	6.4%	9.8%	22.0%
Aust. Equities (AQLT)	7.8%	10.5%	16.3%	35.9%
Global Equities	**7.0%**	**5.7%**	**12.0%**	**26.7%**
US Equities (QUS)	11.4%	4.2%	16.3%	30.3%
US Equities (VTS)	12.5%	6.4%	18.3%	36.8%
Non-US Equities (VEU)	1.1%	5.1%	4.1%	15.3%
Global Equities (QLTY)	6.0%	3.9%	12.0%	27.5%
Global Equities (HGBL)	5.2%	9.6%	10.8%	27.5%
Global Infrastructure (GLIN)	**5.3%**	**14.3%**	**12.5%**	**21.3%**

Past performance not an indicator of future performance.

[1]Growth Defensive, Australian and Global Aggregate Returns are basedon SAAbenchmark ETF weights for the balanced managed accounts.

3. Market Outlook and Portfolio Positioning

Summary of Key Investment Themes - as at end of November 2024

Investment Theme	Investment Strategy	Comment / Analysis
Central bank market support	Overweight growth vs. defensive assets	Notwithstanding the return of Donald Trump as US President, global economic growth is expected to remain resilient and inflation to decline further. As such, central banks are expected to continue gradually cutting official interest rates to support economic growth.
Stronger global earnings and $A	Overweight hedged global equities in growth assets	The global earning outlook remains stronger than that in Australia while local equity valuations are not especially cheap – suggesting global equity outperformance. US rate cuts should also support a firmer $A, which favours currency-hedged global equities.
Lower real bonds yields and $US	Overweight gold and bonds (where possible) vs. cash in defensive assets	Central bank interest rate cuts and a likely further weakening in the US dollar should continue to support gold prices. Lower bond yields also favour fixed-rate bonds over cash.

Economic and market developments over the past few months have remained broadly encouraging and in line with expectations, although the re-election of Donald Trump as US President poses both new risks and opportunities across all asset classes.

At this stage, however, the Committee judged that the return of Trump had not dislodged the likely main economic narrative for the year ahead, namely easing inflation, resilient economic growth and corporate earnings, supported by further central bank rate cuts. As such the Committee decided to leave unchanged all dynamic asset class tilts.

Indeed, the US Federal Reserve decision to cut interest rates, with the promises of more to come, has affirmed our confidence in the economic outlook, such that the Investment Committee has retained its modest overweight exposure to growth assets.

The Committee considered that the main risk to growth assets is no longer that of US recession, but rather persistent US inflation and upward pressure on bond yields – which could cause at least a correction in US equities due to currently high valuations.

As noted above, even before the election of Donald Trump, US core inflation has levelled out in recent months at a level still meaningfully above the Fed's 2% target. Trump's promise of tax cuts and an increase in import tariffs poses new inflationary risks for the US economy.

US Core Private Consumption Deflator YoY%

Source: LSEG Datastream

That said, Trump's choice of a well-respected hedge fund manager, Scott Bessent, as his Treasury Secretary has so far allayed market concerns over a potential increase in inflation under his administration. More generally, it seems likely that Trump would not persist with certain policies if they placed undue upward pressure on inflation or downward pressure on equity prices.

Although US equity valuations appear elevated, moreover, the Committee noted this is less evident in other parts of the world. Some of the premium in US equity valuations, moreover, may reflect growing optimism around the diffusion of new artificial intelligence technologies. What's more, the global corporate earnings outlook remains robust.

Price to Forward Earnings Ratio (PE) US & Non-US Markets

Source: LSEG Datastream

As regards interest rates, history also suggests that long-term bond yields rarely bottom this early into a central bank rate cutting cycle. The prospect of further bond yield declines should help to support equity valuations.

Although some of Trump's proposed policies could place upward pressure on the US dollar, the Committee judged that relatively more aggressive Fed rates cuts – at least compared to the Reserve Bank – will, on balance, still likely push the Australian dollar higher. The fall back in the Australian dollar of late also suggests that some of the "Trump effect" may already be priced into the market.

Considering likely further declines in real (i.e. after inflation) bond yields and likely further US dollar weakness, the Committee also retained a modest exposure to gold within defensive assets. Gold is also a hedge against a potential upsurge in geo-political and trade risk and could benefit from further central bank buying.

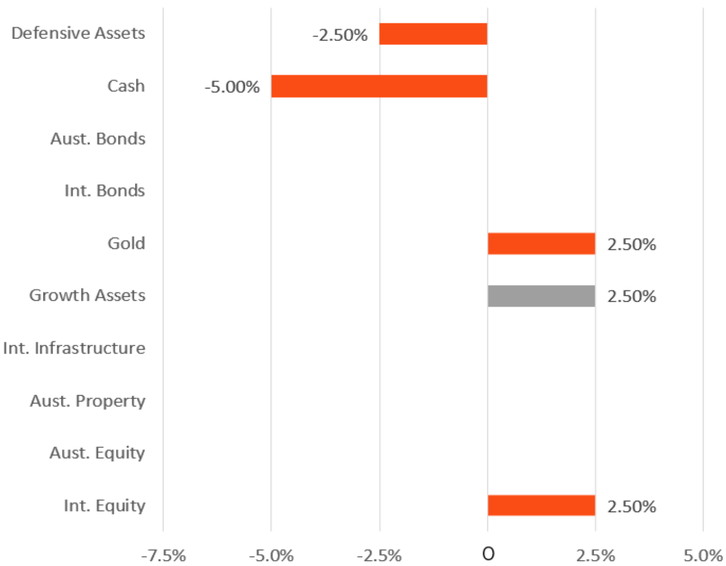
The overweight to growth assets, moreover, remains in currency-hedged global equities. This reflects the relatively stronger global earnings outlook compared to Australia, and an expected firming in the Australian dollar.

We also retain a broadly neutral outlook for Australian versus global bonds, reflecting the fact the yield differential between the Australian and global bond exposures is not large, and local long-term bond yields are expected to move lower in line with the global trends.

To fund these overweight exposures to global equities and gold, the managed accounts retain an underweight exposure to cash and, where necessary, reduced exposure to bonds.

As noted above, the outlook is not without risk – especially with the return of Donald Trump. Accordingly, the Committee agreed to continue to monitor the market environment closely, and to remain agile to add or adjust exposures as considered appropriate as market conditions evolve.

Balanced Portfolio - Dynamic Tilts, end-November 2024



Investment Committee

David Bassanese
Chief Economist and Chair of Investment Committee

Louis Crous
Chief Investment Officer

Thong Nguyen
Head of Equities

Chamath De Silva
Head of Fixed Income

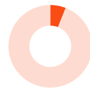
Cameron Gleeson
Senior Investment Strategist

Managed Accounts Weightings (as at end November 2024)

The Strategic and Dynamic Managed Accounts weights are detailed in the table below.

	Conservative	Moderate	Balanced	Growth	High Growth
Defensive	78.5%	63.0%	47.5%	27.0%	6.0%
Growth	21.5%	37.0%	52.5%	73.0%	94.0%

Defensive
Growth



Asset Class	ETF	Conservative SAA	Conservative DAA	Conservative +/-	Conservative change	Moderate SAA	Moderate DAA	Moderate +/-	Moderate change	Balanced SAA	Balanced DAA	Balanced +/-	Balanced change	Growth SAA	Growth DAA	Growth +/-	Growth change	High Growth SAA	High Growth DAA	High Growth +/-	High Growth change
Defensive		**80.0%**	**78.5%**	**-1.5%**		**65.0%**	**63.0%**	**-2.0%**		**50.0%**	**47.5%**	**-2.5%**		**30.0%**	**27.0%**	**-3.0%**		**10.0%**	**6.0%**	**-4.0%**	
Cash	AAA	15.00%	5.00%	-10.00%		10.00%	5.00%	-5.00%		5.00%		-5.00%									
Aust.Bonds - Floating	QPON	6.50%	7.00%	0.50%		5.50%	6.00%	0.50%		4.50%	4.75%	0.25%		3.00%	3.00%						
Aust.Bonds - Fixed Govt	AGVT																				
Aust.Bonds - Fixed Corp	CRED																				
Aust.Bonds	OZBD	32.50%	35.00%	2.50%		27.50%	27.00%	-0.50%		22.50%	22.25%	-0.25%		15.00%	12.25%	-2.75%		10.00%	6.00%	-4.00%	
Int. bonds	VBND	26.00%	28.00%	2.00%		22.00%	22.00%			18.00%	18.00%			12.00%	9.25%	-2.75%					
Gold ($US)	QAU		3.50%	3.50%			3.00%	3.00%			2.50%	2.50%			2.50%	2.50%					
Growth		**20.0%**	**21.5%**	**1.5%**		**35.0%**	**37.0%**	**2.0%**		**50.0%**	**52.5%**	**2.5%**		**70.0%**	**73.0%**	**3.0%**		**90.0%**	**94.0%**	**4.0%**	
Aust. A-REITs	VAP																				
Int. Infrastructure	GLIN									2.50%	2.50%			3.00%	3.00%			3.50%	3.50%		
Aust. Equities	AQLT	2.50%	2.50%			2.50%	2.50%			2.75%	2.75%			3.75%	3.75%			5.00%	5.00%		
Aust. Equities	QOZ	2.50%	2.50%			3.00%	3.00%			5.25%	5.25%			7.25%	7.25%			9.50%	9.50%		
Aust. Equities	A200	3.00%	3.00%			8.50%	8.50%			12.00%	12.00%			17.00%	17.00%			21.50%	21.50%		
Int. Equities	QLTY	2.50%	2.50%			2.50%	2.50%			3.00%	3.00%			4.25%	4.25%			5.25%	5.25%		
Int. Equities	HGBL	3.50%	5.00%	1.50%		6.25%	8.25%	2.00%		6.50%	9.00%	2.50%		9.50%	12.50%	3.00%		12.50%	16.50%	4.00%	
US Equities	QUS					2.75%	2.75%			3.75%	3.75%			5.50%	5.50%			7.00%	7.00%		
US Equities	VTS	3.50%	3.50%			4.75%	4.75%			7.50%	7.50%			10.25%	10.25%			13.25%	13.25%		
Non-US Equities	VEU	2.50%	2.50%			4.75%	4.75%			6.75%	6.75%			9.50%	9.50%			12.50%	12.50%		
Total		**100%**	**100%**			**100%**	**100%**			**100%**	**100%**			**100%**	**100%**			**100%**	**100%**		
MER[1]		**0.19%**	**0.20%**			**0.18%**	**0.19%**			**0.17%**	**0.18%**			**0.16%**	**0.17%**			**0.15%**	**0.15%**		

1. These are the weighted average management costs of the underlying funds in the managed accounts and can be expected to change over time as asset allocations and underlying investment vehicles change. These costs do not include certain other costs, such as any transaction costs (e.g. brokerage and bid-offer spreads) that might be incurred when implementing managed accounts.

Betashares Managed Accounts: Performance Summary

The historical performance of the Strategic and Dynamic Managed Accounts is detailed in the table below.

	Conservative	Moderate	Balanced	Growth	High Growth
Dynamic Managed Accounts					
Total Return Performance [1]					
3-months	1.7%	2.6%	3.5%	4.8%	5.9%
6-months	5.3%	6.6%	7.9%	9.6%	11.1%
12-months	9.9%	12.8%	16.1%	20.1%	24.1%
3-year	1.5%	3.0%	4.4%	6.4%	8.5%
5-year	1.8%	3.2%	4.6%	6.5%	8.5%
Since incept.[2]	3.4%	4.7%	5.9%	7.5%	9.4%
Volatility[2]	3.3%	4.5%	6.0%	8.1%	10.5%
Net Yield[3]	3.1%	2.8%	2.6%	2.3%	2.2%
Gross Yield[3]	3.1%	3.0%	2.8%	2.6%	2.5%
Strategic (Benchmark) Managed Accounts					
Total Return Performance [1]					
3-months	1.5%	2.4%	3.3%	4.5%	5.7%
6-months	5.1%	6.3%	7.7%	9.3%	10.8%
12-months	9.6%	12.5%	15.8%	19.8%	23.8%
3-year	1.6%	3.2%	4.6%	6.7%	9.0%
5-year	2.0%	3.6%	5.0%	6.9%	8.9%
Since incept[2]	3.4%	4.8%	6.2%	7.8%	9.7%
Volatility[2]	3.2%	4.4%	5.9%	8.0%	10.6%
Net Yield[3]	3.2%	2.9%	2.7%	2.4%	2.2%
Gross Yield[3]	3.3%	3.1%	2.9%	2.6%	2.5%

1. Portfolios are rebalanced on a quarterly baisis.
2. Since inception 31 December 2015
3. Trailing 12-months, as at 30 November 2024

Past performance is not an indicator of future performance.

Information regarding the weightings and performance of the Dynamic Income and Pension Risk-Managed suite of Managed Accounts is provided **here.**

Information regarding the Betashares current capital asset pricing assumptions is provided **here.**

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