Betashares Dynamic High Growth Portfolio

28 June 2024

Investment Objective

Betashares Dynamic High Growth Portfolio aims to provide attractive risk-adjusted returns over time for investors considered to have a "high" risk profile, as defined by Australian Prudential Regulation Authority's (APRA) "standard risk measure", or SRM*.

The portfolio aims to achieve this objective by investing in a selection of exchange traded funds, or ETFs, that provide exposure to a diverse range of asset classes and investment strategies. Portfolio exposure to these ETFs is dynamically adjusted over time with the aim of matching or exceeding returns from the strategic benchmark whilst retaining a long-run expectation of no more than 6 negative portfolio return year, on average, every 20-years.

Portfolio Performance

Period	1 mth	3 mth	6 mth	1 yr	3 yr (p.a.)	5 yr (p.a.)	7 yr (p.a.)	Inception (p.a.)
Return	0.86%	-1.24%	7.86%	14.28%	6.37%	7.58%	8.53%	8.62%

Value of $100 invested since inception

Source: Betashares, Bloomberg. Portfolio returns are calculated by using each underlying fund's net asset value at the start and end of the specified period, assume reinvestment of any distributions back into the relevant underlying fund, and do not take into account tax paid as an investor. Returns are after management costs incurred in the underlying funds, but do not reflect the transaction costs (eg brokerage or bid ask spreads) that investors incur when implementing their portfolios. Past performance is not indicative of future performance.

Yield and Portfolio Characteristics

YIELD (% P.A.)[1]	1.99%
GROSS YIELD (% P.A.)[1]	2.41%
# OF ETF HOLDINGS	10

1 Yield calculated by summing the prior 12 month net and gross fund per unit distributions, pro-rated for model weight, divided by model closing value at quarter end. Past performance is not an indicator of future performance.

Portfolio Information

PORTFOLIO INCEPTION
31 DECEMBER 2015

INDIRECT COSTS 0.14% P.A.**

MODEL MANAGER
BETASHARES CAPITAL LTD

VOLATILITY (P.A.) SINCE INCEPTION
10.64%

Investment Committee Voting Members

DAVID BASSANESE
CHIEF ECONOMIST AND HEAD 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

*Based on the Standard Risk Measure (SRM) calculated by the model manager. The SRM is based on industry guidance to allow investors to compare investment options that are expected to deliver a similar number of negative annual returns over any 20 year period. The SRM is not a complete assessment of all forms of investment risk, for instance it does not detail what the size of a negative return could be or the potential for a positive return to be less than an investor may require to meet their objectives. Further, it does not take into account the impact of administration fees and tax on the likelihood of a negative return. Investors should still ensure they are comfortable with the risks and potential losses associated with their chosen investment option.

**As at 28 June 2024. These are the weighted average management costs of the underlying funds in the portfolio 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 transaction costs (eg brokerage or bid ask spreads) that investors incur when implementing their portfolios.

Portfolio risks include: the investment objective may not be achieved, market risk, liquidity risk, currency risk with international investments, and interest rate risk and counterparty default risk with bond investments.

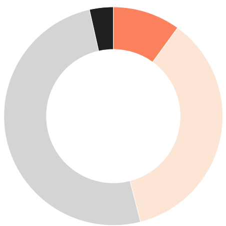
Contact
- 1300 487 577 (Australia)
- info@betashares.com.au
- + 61 2 9290 6888 (ex Aust)
- betashares.com.au

Betashares Dynamic High Growth Portfolio

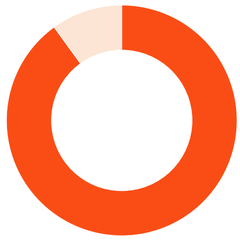
betashares

28 June 2024

Asset Allocation



Cash	0.0%
Gold	0.0%
Australian Bonds	10.0%
International Bonds	0.0%
Australian Equity	36.0%
International Equity	50.5%
Aurstalian Property	0.0%
International Infrastructure	3.5%



Growth	90.0%
Defensive	10.0%

Underlying ETF Holdings

Asset Class	Security	Name	Weight
Australian Bonds			10.0%
	OZBD	Betashares Australian Composite Bond ETF	10.0%
Australian Equity			36.0%
	A200	Betashares Australia 200 ETF	21.5%
	AQLT	Betashares Australian Quality ETF	5.0%
	QOZ	Betashares FTSE RAFI Australia 200 ETF	9.5%
International Equity			50.5%
	HGBL	Betashares Global Shares ETF - Currency Hedged	12.5%
	QLTY	Betashares Global Quality Leaders ETF	5.2%
	QUS	Betashares S&P 500 Equal Weight ETF	7.0%
	VEU	Vanguard All-World ex US Shares Index ETF	12.5%
	VTS	Vanguard US Total Market Shares Index ETF	13.2%
International Infrastructure			3.5%
	GLIN	iShares Core FTSE Global Infrastructure (AUD Hedged) ETF	3.5%

Monthly Market Review

A further decline in global bond yields led to positive returns for both growth and defensive assets again in June. As was the case last month, the main event over June was another benign US consumer price inflation report – supporting the case that US inflation is continuing to ease after several concerning higher-than-expected inflation reports earlier this year. The European Central Bank and the Bank of Canada cut official rates over the month due to weak economic growth and good progress in reducing inflation.

Further supportive of equity markets is the ongoing optimism regarding the potential for new artificial intelligence technologies. One new risk factor to emerge in the month was European economic and political stability, following large gains by far-right parties in European parliamentary elections. Overall global economic growth remains subdued, but far from recession. US economic growth has slowed but remains relatively firm – with ongoing strength in employment growth especially. US corporate earnings also remain healthy, underpinned by solid profit performance among large-cap technology stocks.

Less encouragingly, the latest monthly Australian inflation report remained relatively firm, which heightened market concerns that the Reserve Bank might raise interest rates within the next few months. At the same time, the overall economy remains soft – with very weak consumer spending and housing construction only partly offset by strength in business investment, public infrastructure, tourism and education.

US 10-year government bonds eased back 0.10% to 4.40%. Australian 10-year bond yields also declined by 0.10% to 4.30%. Among defensive assets, due to the decline in bond yields, returns from the global fixed-rate bond ETF, VBND, lifted by 1.0%. Returns on the fixed-rate Australian composite bond ETF, OZBD increased by 0.20%. The Australian floating rate bond ETF, QPON and the AAA cash ETF continued to produce steady smaller positive returns of 0.40% and 0.30% respectively.

Among growth assets, US equities (VTS), increased by 3.30%, while non-US equities (VEU) declined by 0.50%. Non-US equities were hurt by weakness in European stocks owing to renew political concerns. Australian equities (A200) returns lifted by 1.0%, while the interest rate sensitive listed property ETF (VAP) was flat, with a gain of only 0.10%.

The models retained a neutral exposure to growth assets relative to defensive – reflecting a still encouraging economic outlook already fully reflected in equity valuations. The models retain an overweight in bonds within defensive assets, on the view that central banks – despite recent upside inflation surprises – are still likely to eventually cut interest rates either later this year or early next year.