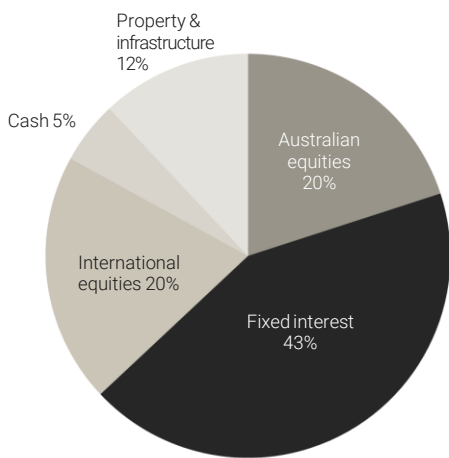


# What is the risk/return profile of a balanced portfolio?

## Asset allocation of a balanced portfolio?

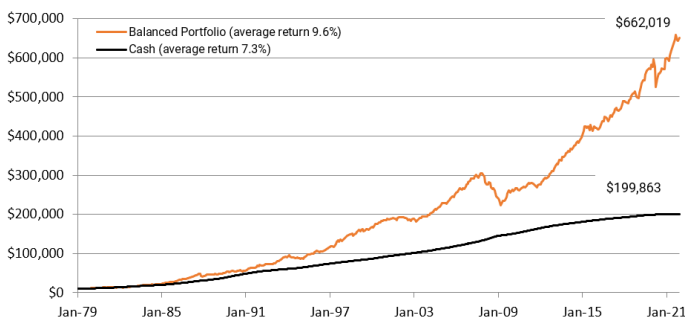
A balanced portfolio targets an asset allocation of 48% in defensive assets and 52% in growth assets:



This portfolio is recommended for investors who understand and are moderately comfortable with investment risk, and/or require moderate returns to meet their objectives.

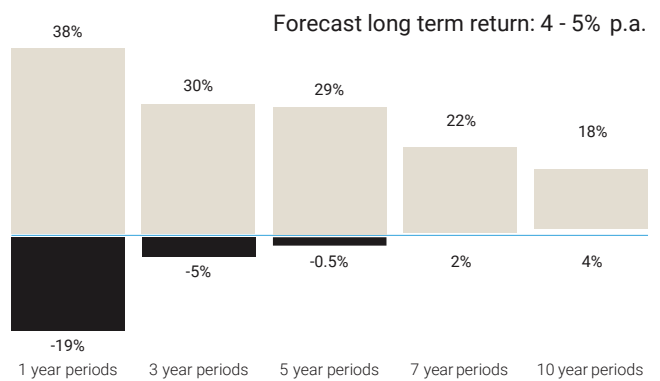
## Return on \$10,000 investment on 1 Jan 1979 to 31 December 2021 (income re-invested)

### Annual returns



\*Note: Past performance is not indicative of future performance

## Historical range of returns (per annum) Income re-invested



Key questions about risk	
Historically, how often has a portfolio with a balanced asset allocation incurred a loss?	Once in every 10 years
What has been the largest loss incurred over a 12 month period?	19%*
How long did it take for the portfolio to recover from this loss?	28 months*
Historically, what has been the likelihood this portfolio could experience two consecutive 12 month periods of negative returns?	1.55% likelihood

**Pros**

- Moderate long term returns
- Provides moderate protection against inflation

**Cons**

- Moderate likelihood of a negative return over a 12 month period
- Moderate variance in returns from year to year

**Important information**

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