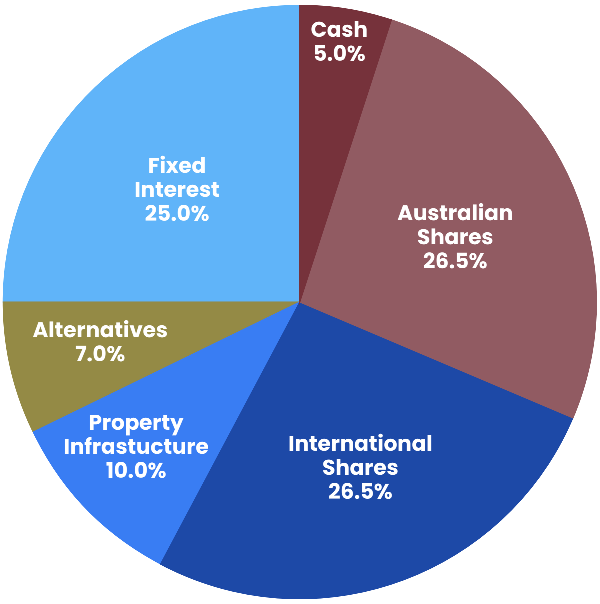
WHAT IS the risk/return profile of a Balanced portfolio?

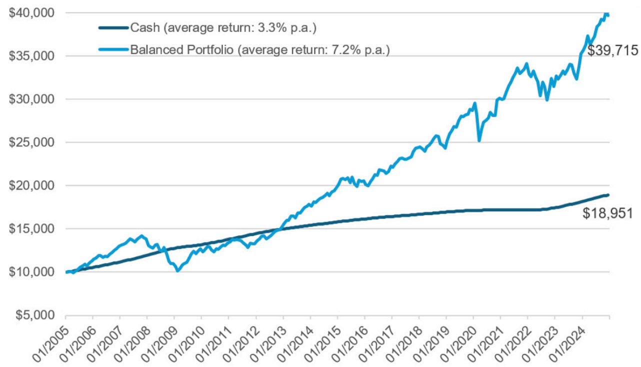
A Balanced portfolio places an emphasis on longer term growth, whilst using a combination of asset classes to moderate volatility.

Asset allocation of a Balanced Portfolio

A growth portfolio targets an asset allocation of 30% in defensive assets and 70% in growth assets:

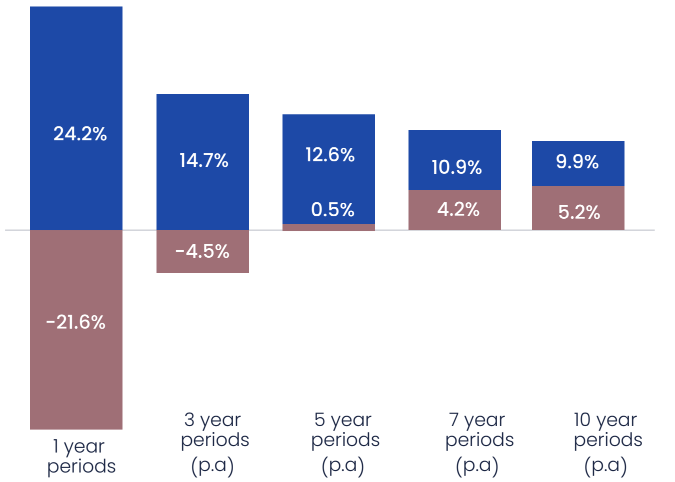


Value of $10,000 investment 1 Jan 2005 to 31 Dec 2024*



*Annual returns with all income re-invested

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



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Who is this suitable for

This portfolio is recommended for investors seeking growth over the medium to longer term, with no need to access a large part of their investment over that time, while at the same time diversifying risk through investing in a spread of asset classes.

Investment time frame

This portfolio is suitable for investors with an investment time frame of at least five to six years, but preferably longer..

Key questions about risk

Question	Answer
Historically, how often has a portfolio with a balanced asset allocation incurred a loss?	Once in every 5.4 years
What has been the largest loss incurred in the last 20 years? When did this occur?	-28.8% in Feb 2009
How long did it take for the portfolio to recover from this loss?	3.25 years
How has this portfolio performed in the last 20 years on an annualised basis?	7.2% p.a.

Pros	Cons
Moderate long-term returns	**Moderate likelihood of a negative return over a 12-month period**
Provides moderate protection against inflation	**Moderate variance in returns from year to year**