



## MANAGED ACCOUNT

# Morningstar CFS FirstChoice Defensive Core

(FirstChoice Managed Account Range: Defensive)

### Investment Strategy

The portfolio is an actively managed, diversified multi-manager strategy. Over the long term, the portfolio aims to have a 85% allocation to defensive assets (cash and fixed interest) and a 15% allocation to growth assets. This portfolio suits investors who are seeking lower investment value volatility (while understanding loss is still possible) and are therefore willing to accept lower potential investment performance. The Morningstar Core Managed Accounts are based on a principle of core and satellite portfolio construction. Passive strategies are used to gain cost effective exposure to the underlying asset class. The extensive use of passive strategies does mean that the portfolios are susceptible to performing in line with the market, particularly falling markets. Active strategies compliment this exposure by seeking to add additional return sources above the market return and can bring limited protection in falling markets. Underlying managers are chosen taking into account their Morningstar Medalist Rating and the role the fund brings from a portfolio construction perspective.

### Key facts of this portfolio

**Investment Objective** The portfolio aims to outperform the Morningstar Category Average – Australia Superannuation Multisector Conservative Benchmark over a rolling three year period.

**Time horizon** 3+ years

**Long term asset allocation** 15/85 Growth/Defensive

#### Fees (including GST)\*

|   |            |
|---|------------|
| Platform Administration Fees            | 0.20% p.a. |
| Superannuation Portfolio Fees and Costs | 0.35% p.a. |
| Pension Portfolio Fees and Costs        | 0.35% p.a. |

**Inception Date** 27/09/2021

## How is the portfolio managed?

We invest your money with the following in mind:



### Long-Term Perspective

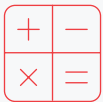
Our portfolios are built using a Strategic Asset Allocation approach based on long term assumptions, whilst we do incorporate the medium term outlook in our thinking.



### Quality

Morningstar's Manager Research team identifies the preferred strategies in each asset class using our Medalist ratings system. Morningstar's investment team then takes a total portfolio approach to ensure that risk management is a core focus throughout the process.

Consistent with our principle of investing for the long term, turnover of underlying managers within the portfolio is kept to a minimum. We don't believe in making changes for changes sake. We pick good managers and measure them over the appropriate time horizon for their strategy.



### Cost Effective


Portfolios are continually reviewed, considering the cost versus benefit. Managers are selected and measured over the appropriate time horizon for their strategy, and consistent with Morningstar's principle of investing for the long term.



### Focus On Risk Management

The best practice process relies on holdings-based construction, which looks through the underlying funds to their holdings and measures asset class and risk exposures from the individual holding level. This results in a total portfolio approach to portfolio construction and enhances our understanding of risk and return drivers.

## To Find Out More

 1800 951 999 (Toll free)

 [morningstarinvestments.com.au](http://morningstarinvestments.com.au)

For more information on the portfolio including its strategy, fees, product features, benefits and risks, please speak to your adviser.

It is important that you understand the risks involved in investing in the portfolio, your tolerance to these risks, and your investment time horizon. For further information about the risks of investing in the portfolio, please refer to the disclosure document.

\*Fees include: Administration Fee, Estimated Investment Fee and Estimated Performance Fee (if applicable) as per the CFS FirstChoice Wholesale Personal Super and Pension PDS dated 18 November 2023.

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