[Scroll down to find the full range of portfolios, by risk profile]

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**CFS Active Portfolios**

Dear Client,

Morningstar have made changes to the CFS Active portfolios in March. The changes are designed to reflect Morningstar’s best ideas from an asset allocation, manager selection and manager allocation perspective. These changes include rebalancing your portfolio towards the desired asset allocations.

A review of the portfolio prompted changes across Australian and International Bonds, and International Shares. I have summarised these trades below:

|  |  |
| --- | --- |
| **Security**  | **Portfolio Action**  |
|
| **Australian Bonds**  |  |
| Janus Henderson Wholesale Tactical Income | **Increased** |
| Western Asset Wholesale Australian Bond | **Decreased** |
| **International Bonds**  |  |
| Bentham Wholesale Global Income | **Increased** |
| PIMCO Wholesale Global Bond | **Increased** |
| Colchester Wholesale Global Government Bond | **Removed** |
| **International Shares** |  |
| Colonial First State Wholesale Index Global Share - Hedged | **Added** |
| GQG Partners Wholesale Global Equity | **Added** |
| MFS Wholesale Global Equity | **Decreased** |
| Barrow Hanley Wholesale Global Share | **Decreased** |

While there have been no manager changes to the Australian Bond managers, a minor reweight has seen Silver rated Janus Henderson Tactical Income increase in weight, and Silver rated Western Asset Australian Bond decrease in weight across the risk profiles. These changes were made to shift funds towards a high conviction, low volatility Australian fixed income manager.

The Morningstar Bronze rated Colchester Global Government Bond has been removed from the portfolio, with Gold rated PIMCO Global Bond remaining as the core international bond allocation. PIMCO has a more attractive fee. Funds have mostly been reallocated to PIMCO, though Bentham Global Income has also increased in weight across multiple risk profiles, driven equally by our view on the current market, and our high conviction in the manager.

In international equities, Colonial First State Index Global Share – Hedged was introduced to increase and diversify the hedged portion of the portfolio, with T.Rowe Price Global Equity – Hedged, the other hedged fund in the suite, also seeing a small increase in weight across the risk profiles. GQG Partners Global Equity has been added to the portfolios. GQG have a Morningstar Gold rating, and are among our top recommendations for international equities. Both MFS Global Equity and Barrow Hanley Global Share have been decreased in weight. These changes are to increase the hedging ratio, while also funding the inclusion of GQG Partners Global Equity.

In terms of a broader asset allocation, there have been no changes across the risk profiles.

As always, please let me know if you have any questions or if I can be of any assistance.

Regards

Adviser

**CFS Core Portfolios**

Dear Client,

Morningstar have made changes to the CFS Core portfolios in March. The changes are designed to reflect Morningstar’s best ideas from an asset allocation, manager selection and manager allocation perspective. These changes include rebalancing your portfolio towards the desired asset allocations.

A review of the portfolio prompted changes across Australian and International Bonds, and International Shares. I have summarised these trades below:

|  |  |
| --- | --- |
| **Security**  | **Portfolio Action**  |
|
| **Australian Bonds**  |  |
| Janus Henderson Wholesale Tactical Income | **Increased** |
| Colonial First State Index Australian Bond | **Decreased** |
| **International Bonds**  |  |
| Bentham Wholesale Global Income | **Increased** |
| Colonial First State Wholesale Index Global Bond | **Decreased** |
| **International Shares** |  |
| Colonial First State Wholesale Index Global Share - Hedged | **Increased** |
| Realindex Wholesale Global Share Value | **Decreased** |
| GQG Partners Wholesale Global Equity | **Decreased** |

While there have been no manager changes to the Australian Bond managers, a minor reweight has seen Silver rated Janus Henderson Tactical Income increase in weight, and Bronze rated Colonial First State Index Australian Bond decrease in weight across the risk profiles. These changes were made to shift funds towards a high conviction, low volatility Australian fixed income manager.

International bonds has seen the Morningstar Silver rated Bentham Wholesale Global Income increased in the Balanced risk profile, while Colonial First State Index Global Bond has been decreased, driven equally by our view on the current market, and our high conviction in the Bentham.

In international equities, manager allocations were adjusted to increase the hedged portion of the portfolio. Colonial First State Index Global Share – Hedged was increased, while Gold rated GQG Partners Global Equity and Silver rated Realindex Global Share Value were decreased to fund the change.

In terms of a broader asset allocation, there have been no major changes across the risk profiles.

As always, please let me know if you have any questions or if I can be of any assistance.

Regards

Adviser