



Strategic asset allocation changes to MLC's multi-asset portfolios for financial advisers

September 2024

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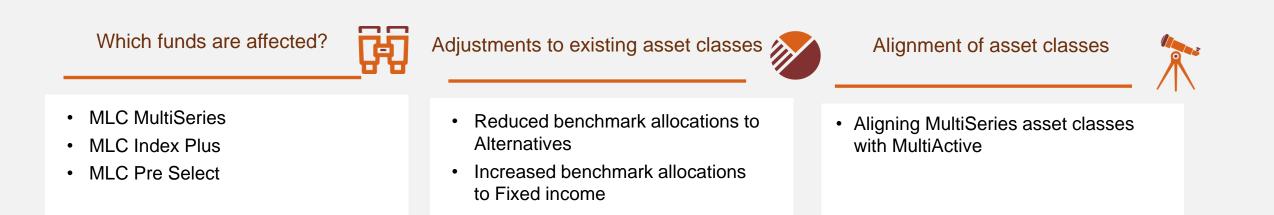
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MLC Index Plus Conservative	MLC MultiSeries 30	MLC Pre Select Conservative Fund
MLC Index Plus Balanced	MLC MultiSeries 50	MLC Pre Select Balanced Fund
MLC Index Plus Growth	MLC MultiSeries 70	MLC Pre Select Growth Fund
	MLC MultiSeries 90	MLC Pre Select High Growth Fund

### What's changed and why?



We have reviewed the strategic (benchmark) asset allocations (SAAs) so that they remain relevant. As part of this process, we consider new asset classes and strategies that are available, changes in the competitive landscape, and risk and return efficiency of the portfolios. Main changes from our recent review are below. These changes have now been implemented.



# New strategic asset allocations MLC MultiSeries



Asset classes	MultiSeries 30 MultiSeries 50		eries 50	MultiSe	eries 70	MultiSeries 90		
	Updated	(Change)	Updated	(Change)	Updated	(Change)	Updated	(Change)
Cash & short-term securities	22%		11%		4%		1%	
Diversified fixed interest	48%	(+4%)	39%	(+4%)	26%	(+8%)	9%	(+5%)
Alternatives	5%	(-5%)	5%	(-5%)	5%	(-9%)	9%	(-7%)
Infrastructure	1%	(+1%)	1%	(+1%)	1%	(+1%)	2%	(+2%)
Property	6%		9%		10%		11%	
International shares	10%		20%		30%		37%	
Australian shares	8%		15%		24%		31%	
Total assets	100%		100%		100%		100%	
Defensive assets	71%	(+1%)	51%	(+1%)	31%	(+1%)	11%	(+1%)
Growth assets	29%	(-1%)	49%	(-1%)	69%	(-1%)	89%	(-1%)

## Reclassification of Alternatives

- Infrastructure now a separate asset class
- Aligns with asset classes in MultiActive

#### Property

Australian listed property will be removed and invested into global listed property

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## New strategic asset allocations MLC Index Plus



Asset classes	Index Plus Conservative		Index Plus Balanced		Index Plus Growth	
	Updated	(Change)	Updated	(Change)	Updated	(Change)
Cash	14%	(-1%)	6%		2%	
Fixed income	35%	(+2%)	23%	(+1.5%)	12%	(+1.5%)
Alternatives	3%	(-2%)	3%	(-2%)	2%	(-3%)
Infrastructure	2%		3%		3%	
Property securities	3%		4%		4%	
Global shares	24%		34%	(+1%)	44%	(+1.5%)
Australian shares	19%	(+1%)	27%	(-0.5%)	33%	
Total	100%		100%		100%	
Defensive assets	50%		30%		15%	

70%

85%

50%

#### Increase in Fixed income

- Reflects addition of credit and insurancerelated investments to strategic asset allocation
- Funded from reduction in alternatives

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**Growth assets** 

## New strategic asset allocations MLC Pre Select



Asset classes	Pre Select Conservative		Pre Select Balanced		Pre Select Growth		Pre Select High Growth	
	Updated	(Change)	Updated	(Change)	Updated	(Change)	Updated	(Change)
Cash	21%		15%	(-2%)	7%	(-2%)	3%	(-2%)
Fixed income	47%	(+1%)	34%	(+3%)	22%	(+2%)	11%	(+1%)
Alternatives	5%	(-2%)	5%	(-2%)	5%	(-2%)	5%	(-2%)
Infrastructure	1%		2%		3%		3%	
Property securities	2%	(+0.5%)	3%		4%		4%	
Global shares	14%	(+0.5%)	24%	(+1%)	34%	(+1%)	43%	(+2%)
Australian shares	10%		17%		25%	(+1%)	31%	(+1%)
Total assets	100%		100%		100%		100%	
Defensive assets	70%		51%		30%	(-1%)	15%	(-2%)
Growth assets	30%		49%		70%	(+1%)	85%	(+2%)

## Increase in Fixed income and Shares

- Small increase in benchmark allocations to shares and fixed income
- Funded from alternatives and cash

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## **Communication plan**

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When	Who	What	Where
Late September 2024	Advisers	This presentation outlining the changes	<ul> <li>Published in adviser sections of <u>mlc.com.au</u> and <u>mlcam.com.au</u> (in 'Strategy updates' section)</li> <li>Published on <u>Investment Central</u></li> </ul>
Late October 2024	Advisers	Investment update for financial advisers MLC's insights & portfolio positioning	<ul> <li>Published on <u>mlc.com.au</u> (in Fund Commentaries, under Prices and Performance accessed from Adviser tab) and <u>mlcam.com.au</u> (under 'Latest reporting resources' in 'Adviser only' section)</li> <li>Published on <u>Investment Central</u></li> </ul>
Late October 2024	Advisers and clients	Fund commentaries	<ul> <li><u>mlc.com.au/fundprofiletool</u></li> <li><u>mlcam.com.au/MLCWholesale</u>, select Fund Profile Tool</li> </ul>