

InvestSMART Professionally Managed Portfolios

October update

October 2023 marked a period of turbulence in investment markets across Australia and the United States. While a combination of factors has contributed to this decline, economic slowdown concerns emerged as a prominent driver.

In Australia (and the US) the primary catalyst is stubbornly high inflation. The RBA's strong indication that rates will rise again (as witnessed in November) has dampened investor confidence. Additionally, as we referenced in last month's quarterly update geopolitical strife in the Middle East and Ukraine has caused further uncertainty.

What does this mean for InvestSMART ETF portfolios?

The portfolios returned 1.29% - 5.06% in the 12 months to 31 October 2023.

Share market falls are part-and-parcel of investing and should be expected as a part of the 'market cycle'. To some investors, they view a dip in the share market as an opportunity to buy when shares 'go on sale'. Others, who may have only experienced market highs, panic and sell.

The way to keep your cool during a down cycle is:

- 1. Understand the cycle of emotions that moves with markets.** As markets move up so does optimism. Euphoria hits. At this point, we may invest more. As the markets turn downwards, we feel anxiety. Panic may hit, at this point we may exit the market completely, which will be at exactly the wrong time. As the share market moves up again, a glimmer of hope and relief appears as our portfolio is recovering. We then feel optimism again. And the cycle continues.
- 2. Be prepared.** The better we understand our emotions the better we can control them. Familiarise yourself with stock market history and realise that all market falls are eventually followed by new highs.
- 3. Diversify.** A diversified portfolio helps to reduce risk by minimising the impact of a fall in any one stock. It also helps to smooth out investment returns.
- 4. Invest, don't speculate.** Have an investment plan, invest for the long-term, and minimise risky investments.

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InvestSMART fees

0.55% p.a.

Capped at

\$550 p.a.

(Excludes ETF management fees)

5. **Dollar-cost average.** Invest at regular intervals. This encourages you to buy stocks during all stages of the market cycle including when fear is high, and prices are cheap. It also takes the emotion out of trying to time the market.

Your InvestSMART portfolio is built for all market conditions – think of it like an all-terrain car. The diversification across Australian, US and bond ETFs is

specifically designed to cushion your portfolio when markets fall and make the most of market highs.

No one knows when the market will recover. But history tells us that it almost certainly will. If you do feel nervous or want to talk to someone about your investment, you can always reach out to our dedicated team.

InvestSMART

Diversified

ETF Portfolios

Our range of diversified portfolios focus on investing over all asset classes in different proportions to provide different risk vs return profiles for each portfolio.

Performance (%) as at 31 October 2023

	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)	Inception date
InvestSMART High Growth	5.1%	8.0%	7.2%	7.0%	27 Oct 2014
InvestSMART Growth	3.3%	5.2%	5.4%	5.8%	24 Oct 2014
InvestSMART Ethical Growth	3.6%	4.1%	N/A	4.1%	01 Nov 2020
InvestSMART Balanced	2.4%	3.2%	4.0%	4.3%	29 Dec 2014
InvestSMART Conservative	1.3%	0.7%	2.1%	2.9%	29 Dec 2014

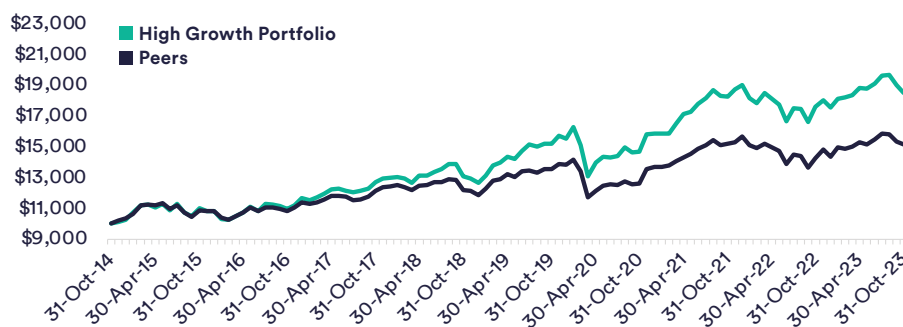
InvestSMART High Growth Portfolio

The High Growth Portfolio is all about helping you build long term wealth and achieve goals with a timeframe of 7-years-plus to ride out the ups and down of markets.

Suitable goals:

- Looking for the highest allocation to growth assets
- Saving for future retirement
- Building a nest egg for your next-of-kin
- Enjoying retirement with no concerns

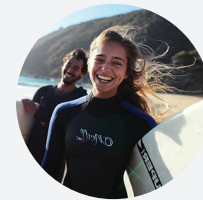
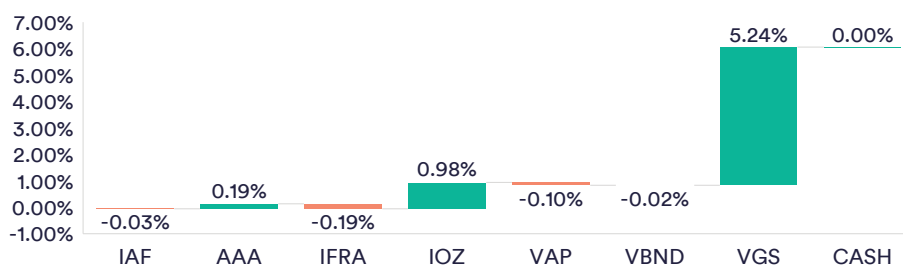
Performance of \$10,000 since inception



Performance vs Peers (% , per annum)

	1 yr	3 yrs p.a.	5 yrs p.a.	SI p.a.
InvestSMART High Growth Portfolio	5.1	8.0	7.2	7.0
Peers	6.2	6.3	4.4	4.7
Excess to Peers	-1.1	1.7	2.7	2.3

Attribution performance over past 12 months



Portfolio mandate

The objective of the High Growth Portfolio is to invest in a portfolio of 5-15 exchange traded funds (ETFs), predominantly focused on growth assets (shares and property) though nicely rounded out with exposure to a little bit of fixed income investments like bonds and cash.

Portfolio inception: 27 Oct 2014

\$10,000
Minimum initial investment

7+ yrs
Suggested investment timeframe

5 - 15
Indicative number of securities

Risk profile: High
Expected loss in 4 to 6 years out of every 20 years

Morningstar AUS Aggressive Target Allocation Net Return (NR) AUD
Benchmark

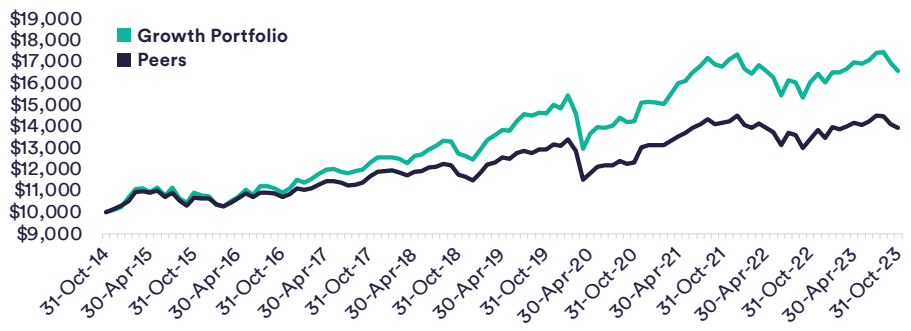
InvestSMART Growth Portfolio

The InvestSMART Growth Portfolio is an exciting choice if you're saving for long term goals (5-years-plus) or you want to grow wealth for the future.

Suitable goals:

- Looking for a high allocation to growth assets
- Growing your retirement nest egg or superannuation
- Saving early for your child's education
- Higher allocation to growth assets

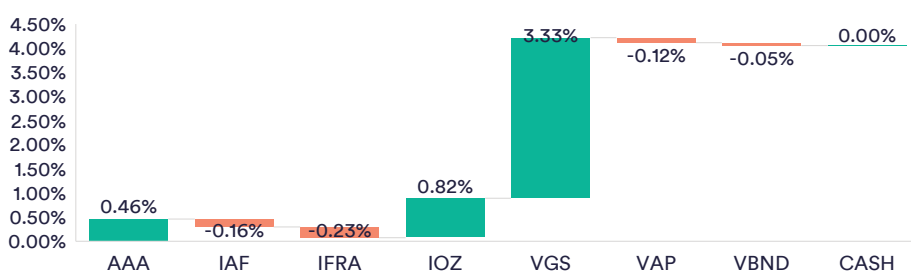
Performance of \$10,000 since inception



Performance vs Peers (% per annum)

	1 yr	3 yrs p.a.	5 yrs p.a.	SI p.a.
InvestSMART Growth Portfolio	3.3	5.2	5.4	5.8
Peers	3.9	4.2	3.5	3.7
Excess to Peers	-0.6	1.1	2.0	2.0

Attribution performance over past 12 months



Portfolio mandate

The Growth Portfolio is an exciting choice if you're saving for long term goals (5-years-plus) or you want to grow wealth for the future. The objective is to invest in a portfolio of 5 - 15 exchange traded funds (ETFs), with more of an emphasis on 'growth' assets like shares and property that have the potential to appreciate in value over time.

Portfolio inception: 24 Oct 2014

\$10,000
Minimum initial investment

5+ yrs
Suggested investment timeframe

5 - 15
Indicative number of securities

Risk profile: High
Expected loss in 4 to 6 years out of every 20 years

Morningstar AUS Growth Target Allocation Net Return (NR) AUD
Benchmark

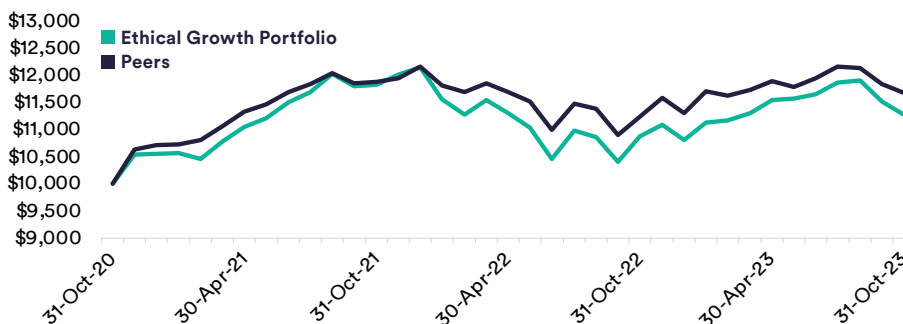
InvestSMART Ethical Growth Portfolio

The Ethical Growth Portfolio is invested in a blend of 5 – 15 Exchange Traded Funds (ETFs), with more of an emphasis on ethical ‘growth’ assets like Australian and international shares that have the potential to appreciate in value over time.

Suitable goals:

- Looking for a high allocation to ethical growth assets
- Growing your retirement nest egg or superannuation
- Saving early for your child’s education
- Higher allocation to growth assets

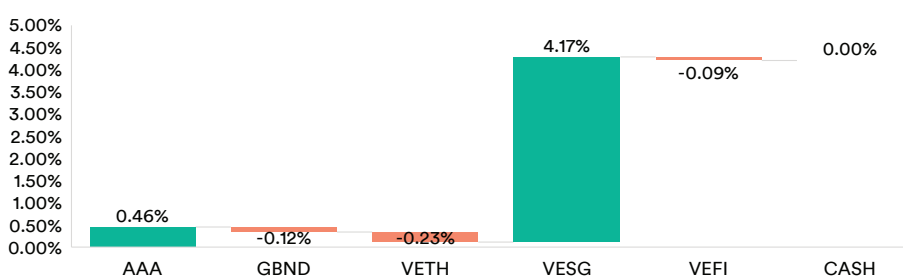
Performance of \$10,000 since inception



Performance vs Peers (% per annum)

	1 yr	3 yrs p.a.	5 yrs p.a.	SI p.a.
Ethical Growth Portfolio	3.6	-2.4	4.1	4.1
Peers	3.9	-0.9	5.3	5.3
Excess to Peers	-0.3	-1.5	-1.2	-1.2

Attribution performance over past 12 months



Portfolio mandate

The Ethical Growth portfolio invests in sustainable, responsible, and/or ethical investments providing you an ethical portfolio that looks to grow wealth for the future. The objective is to invest in a portfolio of 5-15 exchange traded funds (ETFs), with more of an emphasis on ‘growth’ assets like Australian and international shares that have the potential to appreciate in value over time.

Portfolio inception: 1 Nov 2020

\$10,000
Minimum initial investment

5+ yrs
Suggested investment timeframe

5 - 15
Indicative number of securities

Risk profile: Medium - High
Expected loss in 4 to 6 years out of every 20 years

Morningstar AUS Growth Target Allocation Net Return (NR) AUD
Benchmark

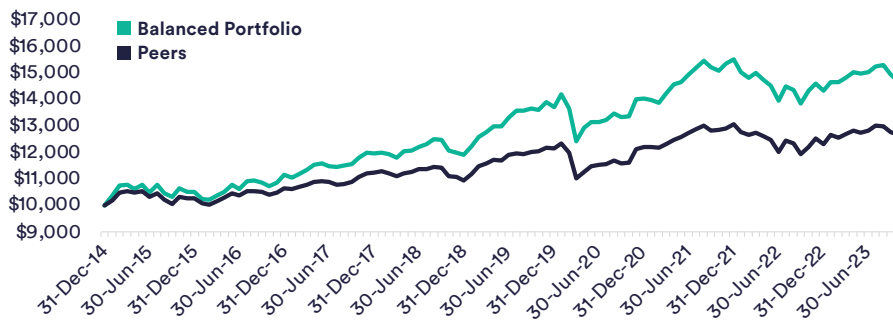
InvestSMART Balanced Portfolio

The InvestSMART's Balanced Portfolio is a simple way to get exposure across many different markets. The potential for capital growth over 3 to 5 years lets your portfolio do more of the hard yards working towards your goals.

Suitable goals:

- Looking for a balanced allocation towards defensive and growth assets
- Saving for a major purchase or school education expenses
- Funding a semi-retired lifestyle where income is less important

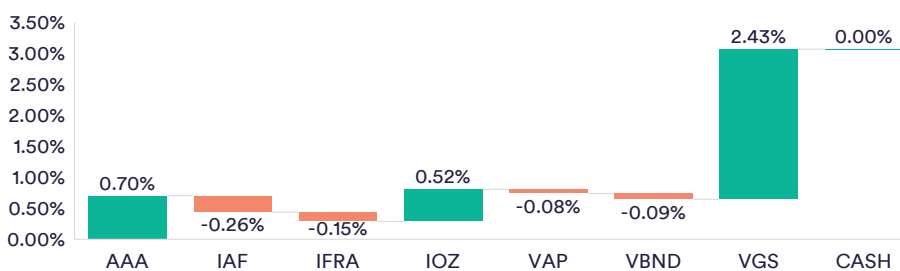
Performance of \$10,000 since inception



Performance vs Peers (% per annum)

	1 yr	3 yrs p.a.	5 yrs p.a.	SI p.a.
InvestSMART Balanced Portfolio	2.4	3.2	4.0	4.3
Peers	3.6	2.9	2.6	2.7
Excess to Peers	-1.2	0.3	1.4	1.6

Attribution performance over past 12 months



Portfolio mandate

The Balanced Portfolio is a simple way to get exposure across many different markets. The potential for capital growth over 3 to 5 years lets your portfolio do more of the hard yards working towards your goals. The objective is to invest in a portfolio of 5-15 exchange traded funds (ETFs), that provide a more even mix of regular income plus the potential for capital growth through equities, property and infrastructure assets.

Portfolio inception: 29 Dec 2014

\$10,000
Minimum initial investment

4+ yrs
Suggested investment timeframe

5 - 15
Indicative number of securities

Risk profile: Medium - High
Expected loss in 3 to 4 years out of every 20 years

Morningstar AUS Balanced Target Allocation Net Return (NR) AUD
Benchmark

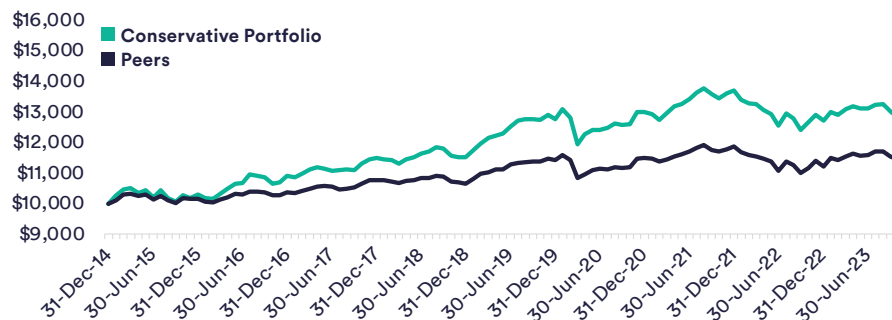
InvestSMART Conservative Portfolio

The InvestSMART Conservative Portfolio is the ideal option if you have short term goals (2+ years) and your focus is on protecting capital while earning higher return than cash.

Suitable goals:

- Looking for a defensive allocation with lower exposure to growth assets
- Saving for a first home, holiday or car
- Generating retirement income

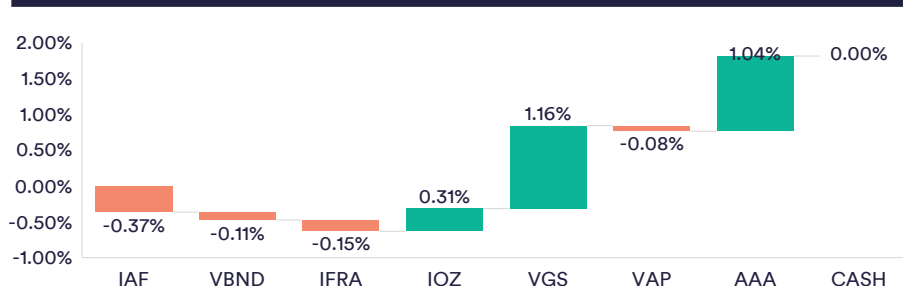
Performance of \$10,000 since inception



Performance vs Peers (% per annum)

	1 yr	3 yrs p.a.	5 yrs p.a.	SI p.a.
Conservative Portfolio	1.3	0.7	2.1	2.9
Peers	2.5	0.8	1.3	1.5
Excess to Peers	-1.3	-0.2	0.8	1.3

Attribution performance over past 12 months



Portfolio mandate

The Conservative Portfolio is the ideal option if you have short term goals (2+ years) and your focus is on protecting capital while earning higher return than cash.

The objective is to Invest in a portfolio of 5-15 exchange traded funds (ETFs), with an emphasis on investments like bonds and cash that deliver regular, reliable income still with some exposure to equities to help beat inflation.

Portfolio inception: 29 Dec 2014

\$10,000
Minimum initial investment

2+ yrs
Suggested investment timeframe

5 - 15
Indicative number of securities

Risk profile: Low - Medium
Expected loss in 1 to 2 years out of every 20 years

Morningstar AUS Conservative Target Allocation Net Return (NR) AUD
Benchmark

InvestSMART

Single Asset Class

Portfolios

Our range of single asset portfolios focus on specific investment markets. They can help you fill diversification gaps in your overall portfolio, complement your current investment approach, for example, adding exposure to international equities to an Australian shared-based portfolio, or allowing you to tailor your PMA to a specific goal.

Performance as at 31 October 2023

	1 year	3 years (p.a.)	5 years (p.a.)	Since inception (p.a.)	Inception date
InvestSMART International Equities	10.8%	10.6%	9.9%	9.7%	24 Oct 2014
InvestSMART Australian Equities	2.1%	8.0%	6.3%	5.8%	23 Dec 2015
InvestSMART Property and Infrastructure	-7.0%	2.8%	1.7%	2.3%	23 Dec 2015
InvestSMART Hybrid Income	6.7%	4.5%	4.3%	4.3%	01 Jul 2017
InvestSMART Cash Securities	3.2%	1.1%	1.0%	1.3%	31 Oct 2014

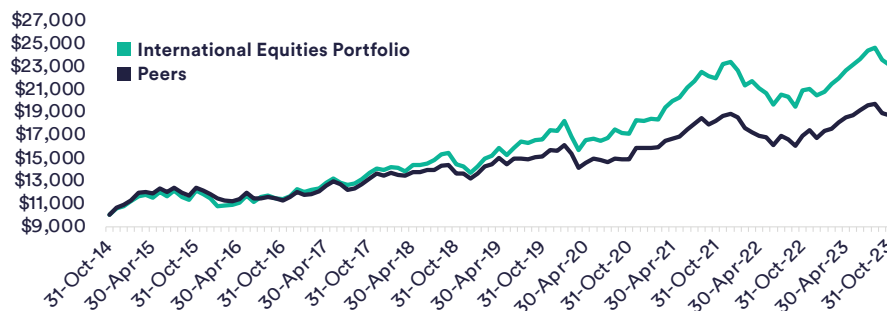
InvestSMART International Equities Portfolio

The InvestSMART International Equities Portfolio gives you access to global sharemarkets – something that can be costly as an individual investor. It’s an easy, low cost way to invest in some of the world’s biggest companies across Europe, Asia and the US.

Suitable goals:

- Diversifying your investment portfolio that lacks international equity exposure
- Looking for exposure to more established sectors overseas such as technology and health care
- Long term growth for your nest egg or superannuation

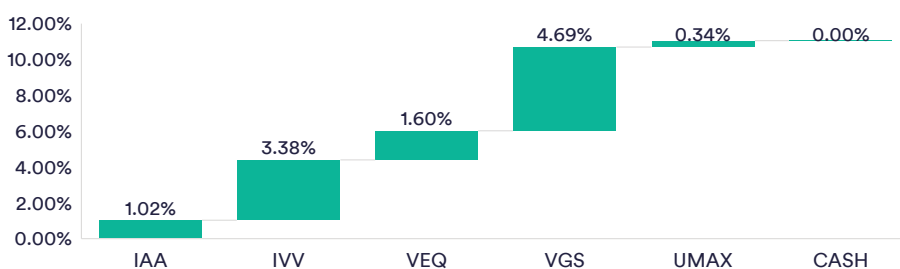
Performance of \$10,000 since inception



Performance vs Peers (% per annum)

	1 yr	3 yrs p.a.	5 yrs p.a.	SI p.a.
InvestSMART International Equities Portfolio	10.8	10.6	9.9	9.7
Peers	10.7	8.0	6.6	7.2
Excess to Peers	0.2	2.6	3.3	2.5

Attribution performance over past 12 months



Portfolio mandate

The International Equities Portfolio is designed to let you access global share markets in an easy, low-cost way. The portfolio invests in some of the world’s biggest companies across Europe, Asia and the US. The objective is to invest in a portfolio of 1-10 exchange traded funds (ETFs), to provide broad exposure to international equities, and across different market sectors and/or regions to lower volatility, minimise overall risk, and increase the potential for long term growth.

Portfolio inception: 24 Oct 2014

\$10,000
Minimum initial investment

7+ yrs
Suggested investment timeframe

5 - 15
Indicative number of securities

Risk profile: Very High
Expected loss in 4 to 6 years out of every 20 years

MSCI World (ex-Australia) Total Return Index, unhedged^
Benchmark

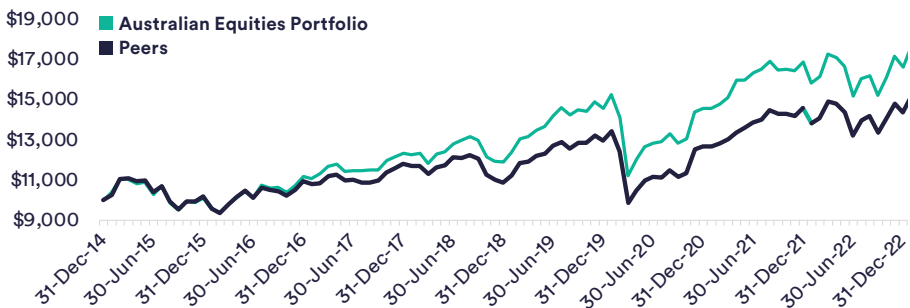
InvestSMART Australian Equities Portfolio

The InvestSMART Australian Equities Portfolio is an easy way to get started in the Australian sharemarket without lots of paperwork, or use it to add valuable diversity to your overall portfolio.

Suitable goals:

- Diversifying an existing Australian equity portfolio with less than 20 stocks
- Looking for broader exposure to all sectors in the Australian share market
- Long term growth for your nest egg or superannuation

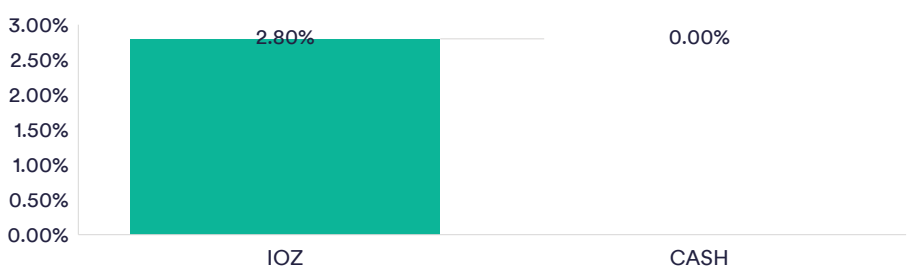
Performance of \$10,000 since inception



Performance vs Peers (% per annum)

	1 yr	3 yrs p.a.	5 yrs p.a.	SI p.a.
InvestSMART Australian Equities Portfolio	2.1	8.0	6.3	5.8
Peers	3.3	8.5	5.2	4.3
Excess to Peers	-1.3	-0.5	1.1	1.5

Attribution performance over past 12 months



Portfolio mandate

The Australian Equities portfolio is an easy way to get invested into Aussie shares or add valuable diversity to your existing portfolio. The objective is to invest in a portfolio of 1-5 exchange traded funds (ETFs), to diversify risk within Australian shares.

Portfolio inception: 31 Dec 2014

\$10,000
Minimum initial investment

5+ yrs
Suggested investment timeframe

1 - 5
Indicative number of securities

Risk profile: High
Expected loss in 4 to 6 years out of every 20 years

S&P ASX 200 Accumulation Index
Benchmark

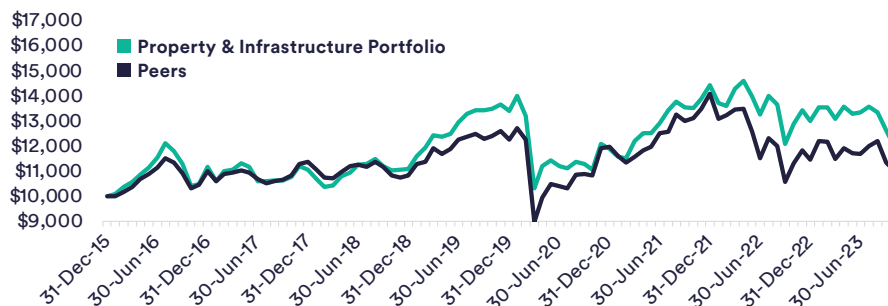
InvestSMART Property & Infrastructure Portfolio

The InvestSMART Diversified Property & Infrastructure Portfolio is a smart way to spread your money across commercial property (Australian and international) as well as infrastructure assets like road, rail and ports that can be hard to access as an individual investor.

Suitable goals:

- Diversifying your investment portfolio that lacks property exposure
- Looking for exposure to retail and commercial property in Australia and overseas
- Looking for exposure to infrastructure at home and abroad
- Long term growth for your nest egg or superannuation

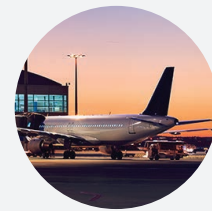
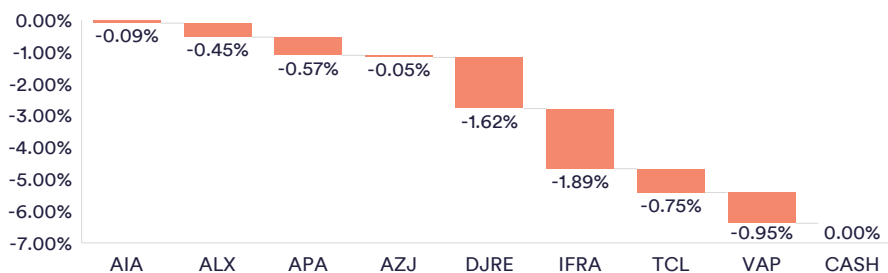
Performance of \$10,000 since inception



Performance vs Peers (% per annum)

	1 yr	3 yrs p.a.	5 yrs p.a.	SI p.a.
InvestSMART Property & Infra. Portfolio	-7.0	2.8	1.7	2.3
Peers	-2.4	0.6	0.4	1.3
Excess to Peers	-4.6	2.1	1.3	1.1

Attribution performance over past 12 months



Portfolio mandate

The Diversified Property & Infrastructure Portfolio allocates funds across commercial property (Australian and international) as well as infrastructure assets like road, rail and ports that can be hard to access as an individual investor. The objective is to invest in a portfolio of 1-10 exchange traded funds (ETFs) and specific ASX infrastructure securities, across Australian Real Estate Investment Trusts (A-REITs), plus infrastructure and global property ETFs, all managed in the one portfolio.

Portfolio inception: 24 Oct 2014

\$10,000
Minimum initial investment

5+ yrs
Suggested investment timeframe

+ 5 - 12
Indicative number of securities

Risk profile: High
Expected loss in 4 to 6 years out of every 20 years

A Composite Index
Benchmark

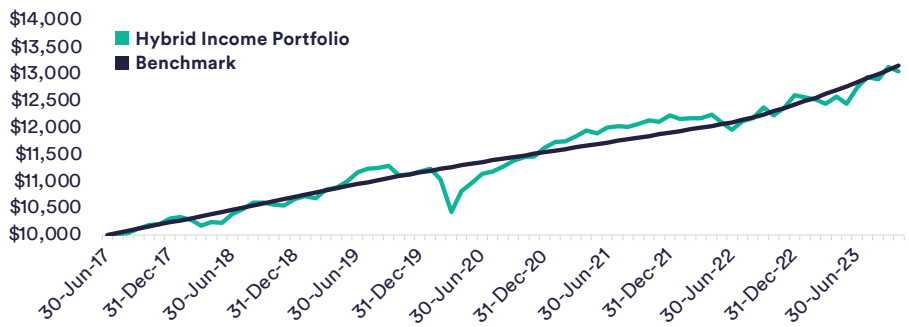
InvestSMART Hybrid Income Portfolio

The InvestSMART Hybrid Income Portfolio gives investors the potential to earn a higher return than fixed interest securities though still with a regular income.

Suitable goals:

- Looking for exposure to several hybrids in one easy to manage portfolio
- Transitioning to retirement with a modest view on risk
- Earning higher returns on your capital than term deposits with slightly more risk

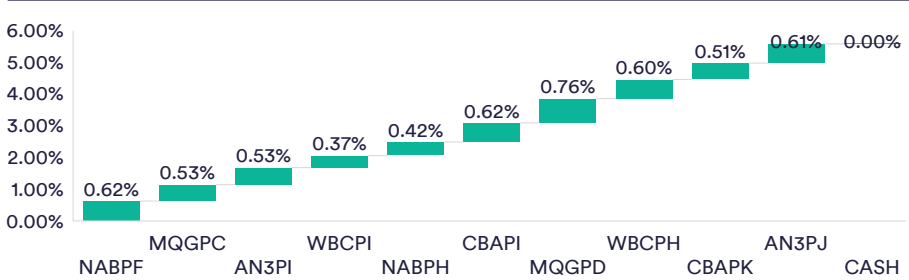
Performance of \$10,000 since inception



Performance vs Peers (% per annum)

	1 yr	3 yrs p.a.	5 yrs p.a.	SI p.a.
InvestSMART Hybrid Securities Portfolio	6.7	4.5	4.3	4.3
RBA Cash Rate + 3%	6.9	4.6	4.4	4.4
Excess to Benchmark	-0.2	-0.2	0.0	-0.1

Attribution performance over past 12 months



Portfolio mandate

The InvestSMART Hybrid Income Portfolio provides Australian investors an opportunity to diversify their income stream, with a portfolio of predominantly ASX-listed hybrid securities. The Portfolio is invested in a mix of 5 - 15 Australian listed hybrids, listed debt securities and cash, all managed in the one portfolio.

Portfolio inception: 1 Jul 2017

\$25,000
Minimum initial investment

3+ yrs
Suggested investment timeframe

5 - 15
Indicative number of securities

Risk profile: Medium
Expected loss in 2 to 3 years out of every 20 years

RBA Cash Rate Plus 3%
Benchmark

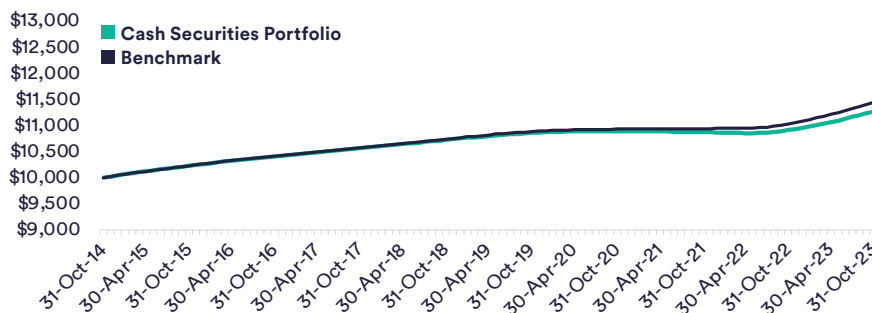
InvestSMART Cash Securities Portfolio

The InvestSMART Cash Securities Portfolio is an easy way to park some money in cash without lots of paperwork, or use it to add diversity to your overall portfolio.

Suitable goals:

- Seek defensive and highly liquid position to ensure capital stability
- Diversifying an existing investment portfolio to include more cash exposure
- Looking for broader exposure to cash markets in Australia

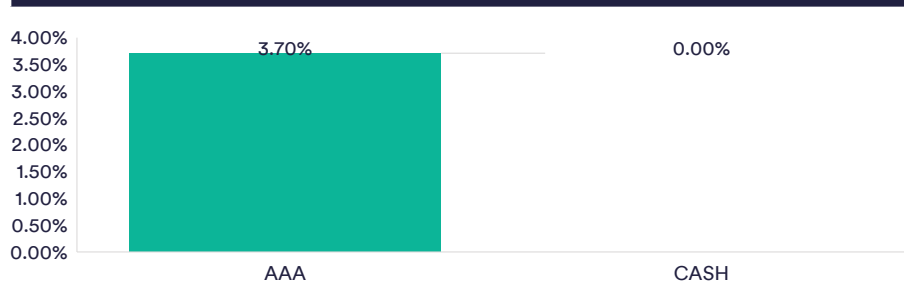
Performance of \$10,000 since inception



Performance vs Peers (% per annum)

	1 yr	3 yrs p.a.	5 yrs p.a.	SI p.a.
InvestSMART Cash Securities Portfolio	-2.2	-5.5	-1.5	-0.2
Peers	0.5	-3.7	-1.1	-0.2
Excess to Peers	-2.7	-1.9	-0.4	0.0

Attribution performance over past 12 months



Portfolio mandate

The Cash Securities Portfolio is an easy way to get invested in cash securities or add valuable diversity to your existing portfolio.

The objective is to invest in a portfolio of 1-5 exchange traded funds (ETFs), to provide returns in line with the benchmark minus our fees by investing in a blend of Exchange Traded Funds (ETFs) which invest in the Australian cash markets.

Portfolio inception: 31 Oct 2014

\$10,000
Minimum initial investment

1+ yrs
Suggested investment timeframe

1 - 5
Indicative number of securities

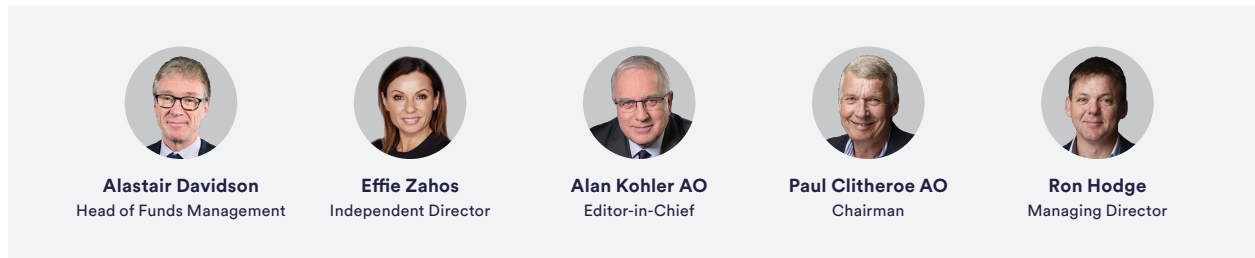
Risk profile: Very Low
Expected loss in 4 to 6 years out of every 20 years

RBA Cash Rate Target
Benchmark

The Annual Report for Professionally Managed Accounts Trust is available to [download here](#).

This report does not reflect the performance or holdings of your individual Professionally Managed Account. The report was audited by independent auditors.

Our **Investment** Committee



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