Betashares Dynamic All Growth Portfolio

betashares

31 January 2025

Investment Objective

Betashares Dynamic All Growth Portfolio aims to provide attractive risk-adjusted returns over time for investors considered to have a "high" risk profile, as defined by Australian Prudential Regulation Authority's (APRA) "standard risk measure", or SRM*

The portfolio aims to achieve this objective by investing in a selection of exchange traded funds, or ETFs, that provide exposure to a diverse range of asset classes and investment strategies. Portfolio exposure to these ETFs is dynamically adjusted over time with the aim of matching or exceeding returns from the strategic benchmark whilst retaining a long-run expectation of no more than 6 negative portfolio return year, on average, every 20-years.

Portfolio Performance

Period	1 mth	3 mth	6 mth	1 yr	3 yr (p.a.)	5 yr (p.a.)	7 yr (p.a.)	Inception (p.a.)
Return	3.60%	6.81%	8.98%	20.30%	11.31%	9.93%	9.03%	10.70%

Value of $100 invested since inception

Source: Betashares, Bloomberg. Portfolio returns are calculated by using each underlying fund's net asset value at the start and end of the specified period, assume reinvestment of any distributions back into the relevant underlying fund, and do not take into account tax paid as an investor. Returns are after management costs incurred in the underlying funds, but do not reflect the transaction costs (eg brokerage or bid ask spreads) that investors incur when implementing their portfolios. Past performance is not indicative of future performance.

Yield and Portfolio Characteristics

YIELD (% P.A.)[1]	2.24%
GROSS YIELD (% P.A.)[1]	2.63%
# OF ETF HOLDINGS	10

1 Yield calculated by summing the prior 12 month net and gross fund per unit distributions, pro-rated for model weight, divided by model closing value at quarter end. Past performance is not an indicator of future performance.

*Based on the Standard Risk Measure (SRM) calculated by the model manager. The SRM is based on industry guidance to allow investors to compare investment options that are expected to deliver a similar number of negative annual returns over any 20 year period. The SRM is not a complete assessment of all forms of investment risk, for instance it does not detail what the size of a negative return could be or the potential for a positive return to be less than an investor may require to meet their objectives. Further, it does not take into account the impact of administration fees and tax on the likelihood of a negative return. Investors should still ensure they are comfortable with the risks and potential losses associated with their chosen investment option.

**As at 31 January 2025. These are the weighted average management costs of the underlying funds in the portfolio and can be expected to change over time as asset allocations and underlying investment vehicles change. These costs do not include certain other costs, such as transaction costs (eg brokerage or bid ask spreads) that investors incur when implementing their portfolios.

Portfolio Information

PORTFOLIO INCEPTION
28 JANUARY 2025

INDIRECT COSTS 0.17% P.A.**

MODEL MANAGER
BETASHARES CAPITAL LTD

VOLATILITY (P.A.) SINCE INCEPTION
11.76%

Investment Committee Voting Members

DAVID BASSANESE
CHIEF ECONOMIST AND HEAD OF INVESTMENT COMMITTEE

LOUIS CROUS
CHIEF INVESTMENT OFFICER

THONG NGUYEN
HEAD OF EQUITIES

CHAMATH DE SILVA
HEAD OF FIXED INCOME

CAMERON GLEESON
SENIOR INVESTMENT STRATEGIST

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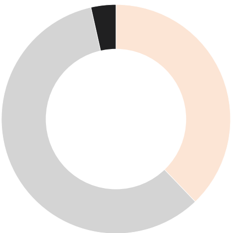
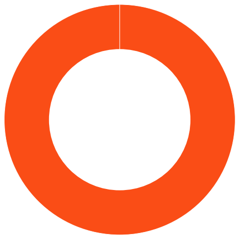
Asset Allocation



Cash	0.0%
Gold	0.0%
Australian Bonds	0.0%
International Bonds	0.0%
Australian Equity	37.8%
International Equity	58.7%
Australian Property	0.0%
International Infrastructure	3.5%



Growth	100.0%
Defensive	0.0%

Underlying ETF Holdings

Asset Class	Security	Name	Weight
Australian Equity			37.8%
	A200	Betashares Australia 200 ETF	18.8%
	AQLT	Betashares Australian Quality ETF	5.7%
	QOZ	Betashares FTSE RAFI Australia 200 ETF	9.3%
	MTUM	Betashares Australian Momentum ETF	4.0%
International Equity			58.7%
	QUS	Betashares S&P 500 Equal Weight ETF	7.9%
	BGBL	Betashares Global Shares ETF	23.7%
	HGBL	Betashares Global Shares Currency Hedged ETF	17.3%
	QLTY	Betashares Global Quality Leaders ETF	5.6%
	VEU	Vanguard All-World ex US Shares Index ETF	4.1%
International Infrastructure			3.5%
	GLIN	iShares Core FTSE Global Infrastructure (AUD Hedged) ETF	3.5%

Monthly Market Review*

Steadier global bond yields over January helped support positive returns for both growth and defensive assets over the month. Key events over the month included better than expected inflation results in both the United States and Australia which bolstered hopes for official interest rate cuts this year. The corporate earnings outlook, especially in the United States, also remained upbeat. The US core consumer price index rose by only 0.2% in December, a touch lower than the 0.3% market expectation, allowing annual core inflation to ease to 3.2% from 3.3%.

One development later in the month was the release of updated results from a Chinese artificial intelligence app, DeepSeek, which suggested use of AI technologies may require far less electrical power and high-end computer chips than previously thought. This raised question marks over the high valuations still attached to leading US technology companies, along with energy producers and data centre operators.

Donald Trump was also officially sworn in as US President and quickly began to create market volatility with a series of announcements concerning tariffs and immigration – which risk hurting US economic growth and may place upward pressure on inflation. Markets are still hoping Trump's policies will be watered down somewhat.

In Australia, the December quarter consumer price inflation result was also lower than expected, with trimmed mean annual inflation falling to 3.2%. This boosted market hopes that the Reserve Bank would begin to lower official interest rates as early as this month.

All up, US 10-year government bond yields eased by 0.03% to 4.54% over the month, while Australian 10-year bond yields edged up only 0.07% to 4.43%. Global and Australian corporate bond spreads tightened further.

Among defensive assets, due to the decline in bond yields, returns from the global fixed-rate bond ETF, VBND, rose by 0.4%. The fixed-rate Australian composite bond ETF, OZBD, returned 0.2%.

Among growth assets, currency hedged developed market global equities (HGBL) returned 3.4%. Due to a firmer Australian dollar, unhedged global equity returns were a touch softer, with VTS (US equities) and VEU (non-US equities) returning 2.4% and 3.0% respectively. Unhedged global quality (QLTY) returned a stronger 3.4%. Australian equities (A200) returned 4.5%, with Australian quality (AQLT) returning a stronger 5.0%.

The models retain a modest overweight growth asset position, with this allocated to currency-hedged global equities (HGBL). Gold also remains overweight within defensive assets. These positions are funded with lower allocations to cash and/or bonds where necessary.

*Please note this market review considers asset classes and funds in Betashares Dynamic portfolios across the full range of risk profiles. Some asset classes and funds discussed in this review may not be included in this particular portfolio. Please refer to the 'Underlying ETF Holdings' table above for the asset classes and funds in this portfolio.

Important Information

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