

# MLC Premium Model Portfolios

## Portfolio changes

Effective date: 17 August 2023

We continually review the model portfolios to ensure they remain appropriately structured to meet their objectives and are well-positioned for the future market environment. These updates provide investment rationale for adding a new holding, removing an entire holding, or making a significant change to a Model Portfolio. Details of Portfolio re-weightings or re-balances occur normally in the course of managing the Portfolio and are included in our portfolio updates.

### What changes have we made?

Addition	Portfolio change	Rationale
James Hardie Industries (JHX)	High Growth 98: +0.50%	We have initiated a new position in James Hardie Industries PLC. James Hardie is a high quality long-term structural growth story in a slow moving cyclical industry. James Hardie has a near monopoly position in US fiber-cement siding, as a substitute external siding product replacing vinyl/bricks. Whilst our analyst valuation sees the price as full, the company is a large cap, high quality stock. It diversifies our exposures across unique macro drivers and improves the beta and growth of the portfolio.
	Growth 85: +0.45%	
	Balanced 70: +0.45%	
	Moderate 50: +0.35%	
	Conservative 30: +0.30%	
Removal	Portfolio change	Rationale
IDP Education Ltd (IEL)	High Growth 98: -0.41%	We have sold out of IDP Education. IDP Education was added to the portfolio last year as a growth exposure. Unfortunately, the stock has underperformed materially as fears around increased competition emerged especially regarding the IELTS testing product in Canada. Whilst over time the group should benefit from a diversification strategy by country that will add breadth to the growth potential, the stock is no longer attractive enough to justify its place in the portfolio or for balancing aggregate growth and industry exposures.
	Growth 85: -0.36%	
	Balanced 70: -0.32%	
	Moderate 50: -0.30%	
	Conservative 30: -0.28%	

*The approximate portfolio change amount is not a guarantee of a change to a client's portfolio. There may be differences between the Model Portfolio and a client's portfolio due to the timing and transaction prices for portfolio changes, client investments and withdrawals during the period, timing of receipt of dividends and income distributions, platform administration fees, transactional costs associated with the client's portfolio, and any portfolio exclusions required by the client.*

### Important Information

Portfolio changes outlined in this document are expected to be implemented by the client's platform, in due course.

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