

MLC Premium Model Portfolios

Portfolio changes

Effective date: 22 February 2024

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
JB Hi-Fi Ltd (JBH)	High Growth 98: +0.60%	We have initiated a position in JB Hi-Fi Ltd (JBH). JBH is the leading retailer of electronics and home appliances, with more than 300 stores in Australia and New Zealand. We see JBH as a global low-cost retail leader with high analyst quality. Recently it has benefited from positive sentiment towards discretionary retailers and had a strong half year result that beat EBIT consensus. Whilst the stock has been strong, it retains very strong direction 'Short Term' and 'Long Term' scores and when combined with an average return to fair value. JBH offers attractive multi-lens expected return even after style risk is removed within our investment approach.
	Growth 85: +0.55%	
	Balanced 70: +0.50%	
	Moderate 50: +0.40%	
	Conservative 30: +0.40%	
Removal	Portfolio change	Rationale
Lottery Corporation Ltd (TLC)	High Growth 98: -0.60%	After a strong contribution over recent months, The Lottery Corporation (TLC) has been removed from the direct equity strategy. The stock has outperformed the market by 6% in the past 3 months. With its valuation further stretched, we don't see TLC offering the compelling mix of signals it did previously, and upgrades from our analyst seem unlikely to be material in the near term. We take this opportunity to exit TLC to give way to JBH which we believe provides more attractive expected return.
	Growth 85: -0.55%	
	Balanced 70: -0.50%	
	Moderate 50: -0.40%	
	Conservative 30: -0.40%	

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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