

MLC Premium Model Portfolios

Portfolio changes

Effective date: 08 April 2022

The MLC Premium Model Portfolios are complete investment solutions focused on providing investors with above-inflation returns through actively managed portfolios that are extensively diversified across asset classes, specialist investment managers, and stocks.

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.

Portfolio activity

Addition	Portfolio change	Rationale
Worley Ltd	Aggressive: +0.40% Assertive: +0.40% Moderate: +0.40%	We re-established a position in engineering company Worley. Worley is leveraged to the improving capex cycle of oil and gas, growth in renewable energy transition, chemicals and mining and metals sectors, and is highly correlated to the oil price and commodity prices in general. Worley has over 30% of its pipeline in renewable energy projects, with clients involved in the transition from fossil fuels to renewable energy. Worley is investing significantly in research and development looking into how technology can meaningfully reduce emissions.
Removal	Portfolio change	Rationale
Harvey Norman Holdings Ltd	Aggressive: -0.40% Assertive: -0.40% Moderate: -0.40%	We exited the position in furniture and appliances retailer Harvey Norman. While retail goods sales are around currently 20% above pre-COVID levels, the consumer outlook is quickly shifting from one of extreme optimism, due to high levels of consumer stimulus, to pessimism caused by significant cost of living increases with significant global inflation.

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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