

# Ibbotson Conservative Growth Trust

## Risk Profile

Low

## Investment Horizon

3 years

## Inception

7 July 2000

## Trust Size \$Mil

204.6

## Estimated frequency of annual negative return over a 20 year period <sup>2</sup>

## Investment Summary

### Investment Objective

To earn a rate of return that exceeds Consumer Price Index increases by at least 1% pa over rolling three year periods.

### Multi-Manager Trust

Ibbotson selects specialist and complementary investment managers that are capable of generating portfolio returns in excess of their performance benchmarks.

Available to wholesale investors, and indirectly to retail investors via select retail platforms.

### Diversified Income and Growth Assets

The portfolio is predominantly invested across fixed interest, cash, shares, property securities and alternative investments.

### Key Attributes

Diversified across managers, asset classes and strategies, and weighted more towards fixed interest and cash, providing a generally lower investment risk strategy.

Manager evaluation, selection and portfolio construction to deliver the investment objective maximises the potential for enhanced long-term portfolio performance.

The ability to identify exceptional managers throughout the world is assisted by our access to global resources.

### Operations

Unit Pricing	Daily
Distributions	Quarterly
Management Fee <sup>4</sup>	Up to 0.77%
Buy/Sell Spread	0.13% / 0.13%

## Quarterly Commentary

In absolute terms, the Ibbotson Conservative Growth Trust benchmark returned -1.7% during the quarter with Australian shares and hedged international equities detracting -1.6% and -0.7% respectively. Positive contributions came from Australian bonds (up 5.2%, contributed 0.8%) and cash (up 1.2%, contributed 0.3%). The Ibbotson Conservative Growth Trust underperformed its asset-weighted benchmark by -0.5%, returning a total trust performance of -1.7%. Asset allocation was negative during the month and stock selection was flat. Within asset allocation, the positive contribution from an underweight to Australian shares and hedged international equity was offset by a negative contribution from an underweight to Australian and International bonds. Within manager selection, positive manager selection within Australian shares was offset by negative manager selection in international shares.

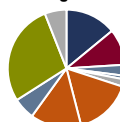
## Performance <sup>1</sup> 30-09-11



Total Return %	1 Month	3 Months	FYTD	1 Year	5 Years (pa)
Trust	-0.84	-1.74	-1.74	2.29	2.11
Benchmark	-0.89	-1.20	-1.20	3.36	3.31
Active Return	+0.05	-0.53	-0.53	-1.06	-1.20

## Portfolio Analysis <sup>2</sup> 30-09-11

### Strategic Asset Allocation %



Australian Shares	14.0
International Shares	10.0
Australian Property Securities	3.0
International Property Securities	1.0
Global Infrastructure	2.0
Australian Bonds	16.0
International Bonds (Hedged)	14.0
Global Inflation-Linked Securities (Hedged)	6.0
Cash	28.0
Alternative Investments	6.0

### Actual Asset Allocation %



Australian Shares	9.7
International Shares	10.8
Australian Property Securities	6.6
International Property Securities	0.6
Global Infrastructure	1.5
Australian Bonds	12.5
International Bonds (Hedged)	7.6
Global Inflation-Linked Securities (Hedged)	5.3
Cash	36.7
Alternative Investments	8.7

### Notes

1. Performance measures are expressed after fees, costs and before taxes. 2. Allocations may not add up to 100% due to the rounding of individual components. 3. Other includes all non-manager holdings such as derivatives exposure due to dynamic asset allocation, cash and cash like securities held for currency hedging and the general operation of the Trust. 4. The Management fee is inclusive of GST (after taking into account Reduced Input Tax Credits) and can be negotiated for direct investors. The Trust also has exposure to underlying investment managers (including Ibbotson) which charge performance fees and these are an additional cost to you and impact the return. 5. These alternative investments are exposed to the performance of a diversified portfolio of absolute return strategies accessed via total return swaps, alternative assets and strategies.

### Manager Allocation % <sup>3</sup>

<b>Australian Shares</b>	<b>9.7</b>
Allan Gray Australia	0.4
Dimensional	1.9
JCP Investment Partners	2.3
Northcape	2.4
Northcape Conc	0.4
Omega	1.4
Platypus	0.5
Vinva	0.4
<b>International Shares</b>	<b>10.8</b>
Altrinsic	1.0
AQR	1.6
Axiom	0.7
Dimensional	0.8
Marathon	1.7
Sands Capital	0.6
Vanguard	1.2
Other	3.2
<b>Australian Property Securities</b>	<b>6.6</b>
Vanguard	5.8
Other	0.8
<b>International Property Securities</b>	<b>0.6</b>
CBRE Clarion	0.4
Perennial	0.3
Other	-0.1
<b>Global Infrastructure</b>	<b>1.5</b>
Vanguard	1.5
<b>Australian Bonds</b>	<b>12.5</b>
Omega	19.8
Other	-7.3
<b>International Bonds (Hedged)</b>	<b>7.6</b>
Colchester	4.1
Omega	6.2
PIMCO Global Bond	2.9
PIMCO Global Credit	3.1
Vanguard	2.4
Other	-11.1
<b>Global Inflation-Linked Securities (Hedged)</b>	<b>5.3</b>
Omega Aus	2.2
Omega Global	3.2
Other	-0.1
<b>Cash</b>	<b>36.7</b>
Vanguard	16.7
Other	20.0
<b>Alternative Investments</b>	<b>8.7</b>
Ibbotson Alternative Investments <sup>5</sup>	8.7