

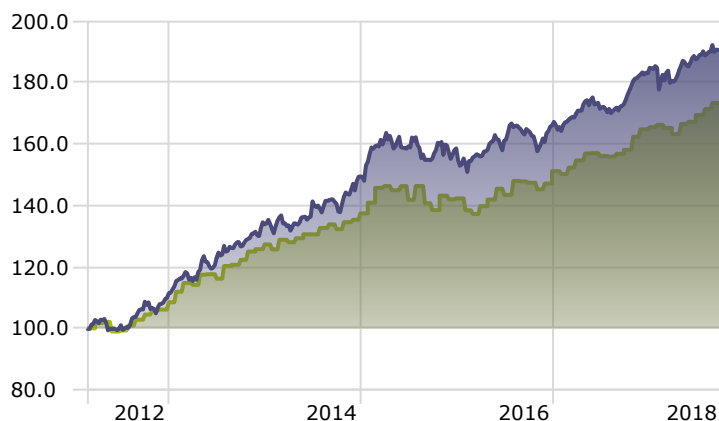
HUB24 Portfolio Review

The last quarter was an interesting one to navigate for portfolios. Australian Equities were a poor relative performer, but they were overshadowed by the negative performance of the Emerging Markets. So whilst Global Equities performed well over the quarter, and having a mild overweight to them and Australian equities was a positive for Asset Allocation, the allocation to Emerging Markets dragged on relative performance. Also having a reduced overall exposure to the market hurt in strong overall market conditions, but this means that we are taking less equity market risk in a heightened risk environment (which we believe is prudent). Being unhedged in our Global allocations (i.e. having exposure to global currencies, mostly the US Dollar instead of the AUD) also helped performance. Those portfolios with fixed income allocations did well over the quarter, outperforming traditional Fixed Income indices with our allocations to shorter dated, high quality Australian Corporates. Our allocations to alternative sources of return hurt performance though – with diversified Beta continuing its run of poor performance, and Dalton Street Capital suffering from a breakdown in the relationship between the US lead market and Asian subordinate market signals (which it relies on). These breakdowns have happened historically before, and always proved transitory, so we are not currently concerned about the recent run of performance.

Market Outlook

October has begun with a sell-off in Global Sovereign bonds sparking a rout across most asset classes, including equities, corporate bonds, emerging market bonds and various currencies. Innova have repeatedly warned about the risk of a bond market selloff not being zero, yet the market pricing that probability at or near zero. Time will tell if this short term upset turns into something more sinister but should be a wakeup call to most market participants who have relied on historical relationships, and assumed that they will hold into the future – that is that bonds will go up in price if stocks go down. Unfortunately any true student of history knows this isn't always the case, and so given the amount of uncertainty in the world around trade tariffs, Government deficits in the US, the rise of populism, Central Bank tightening and extremely indebted household here in Australia, Innova believe questioning the norm is a fiduciary responsibility. The outlook is clearly uncertain, so we will attempt to navigate this environment by following our common-sense process – steer clear of expensive assets, buy into the cheaper priced assets and be more diversified when uncertainty is high (such as now).

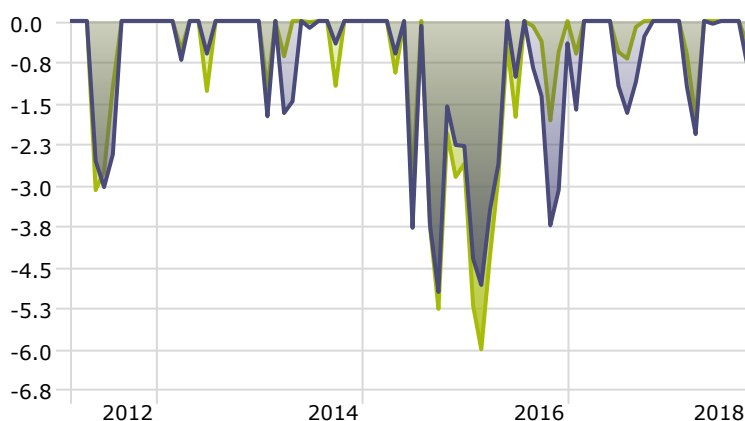
Investment Growth



■ HUB24 Growth

■ Australia Fund Multisector Growth

Historical Drawdown



■ HUB24 Growth

■ Australia Fund Multisector Growth

Objective

To achieve returns after management fees that on average exceed CPI by 3.8% p.a. over periods of six years or more. The portfolio aims to provide investors with a diversified mix of predominantly growth assets. The high allocation to growth assets is expected to lead to capital appreciation over the long term, with a low level of income. Capital volatility is expected to be high.

Performance (Net of fees, pre tax, annualized for periods greater than 1 year)

As of Date: 30/09/2018

	Return						
	1 Month	3 Months	1 Year	2 Years	3 Years	5 Years	Since Inception
HUB24 Growth	-0.79	1.67	10.20	7.70	7.31	8.44	10.30
Australia Fund Multisector Growth	-0.42	1.92	9.24	8.27	7.70	7.17	8.69

Inception Date: 01/03/2012

As of 30/09/2018

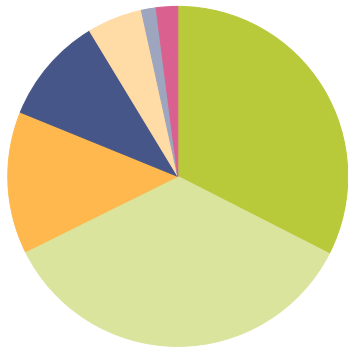
HUB24 Growth Monthly Update



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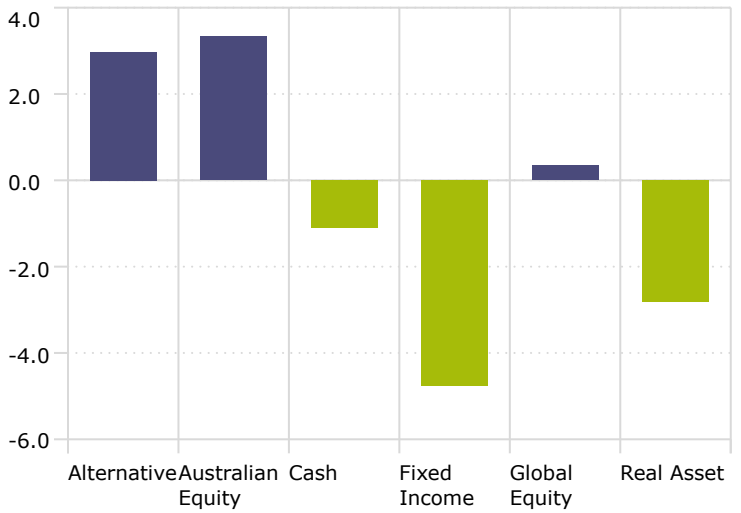
HUB24 Growth - Portfolio Holdings

Portfolio Date: 30/09/2018



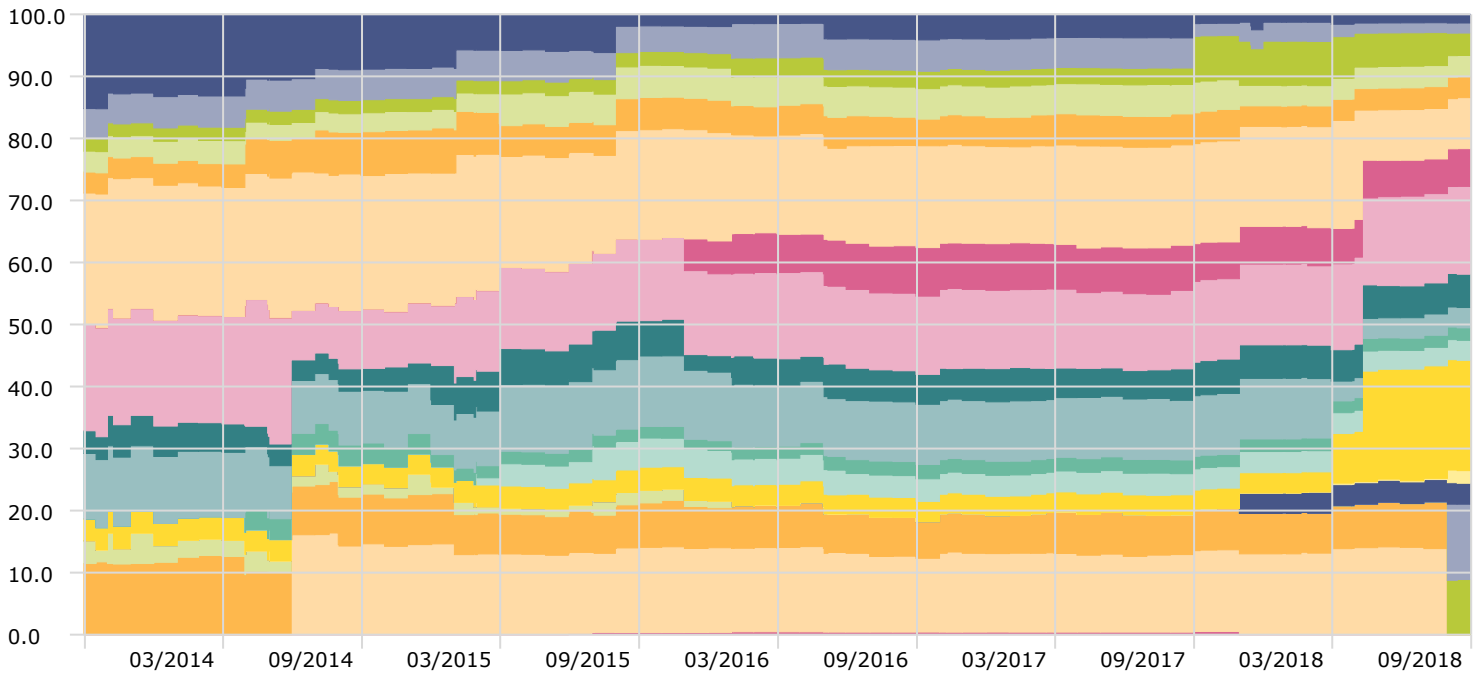
Global Equity	32.5
Australian Equity	35.2
Alternative	13.5
Real Asset	10.2
Fixed Income	5.2
Cash	1.4
Unclassified	2.0
Total	100.0

Tactical Over/Under Weights %



Historical Strategy Allocation

Time Period: 1/10/2013 to 30/09/2018



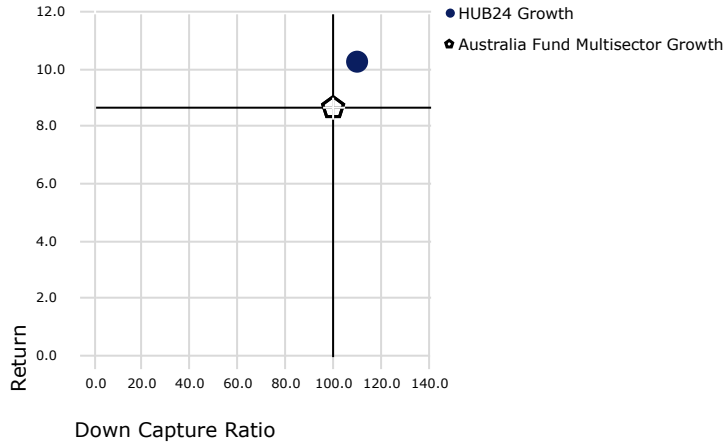
- Cash
- Global Infrastructure
- Diversified Alternative Beta
- Global Equity - Quality - Hedged
- Global Equity
- Australian Equity - Alpha
- Australian Equity - Quality
- High Quality Fixed Rate Debt
- Australian Listed Property
- Australian Equity
- Volatility Trading
- Unclassified
- Australian Equity - Value
- Australian Equity - Low Volatility
- High Quality Floating Rate Corporate Debt
- Global Equity - Long Short
- Trending Following
- Asian Equity
- Global Listed Property
- Gold Bullion
- Inflation Linked Bond

Source: Morningstar Direct

Risk-Reward

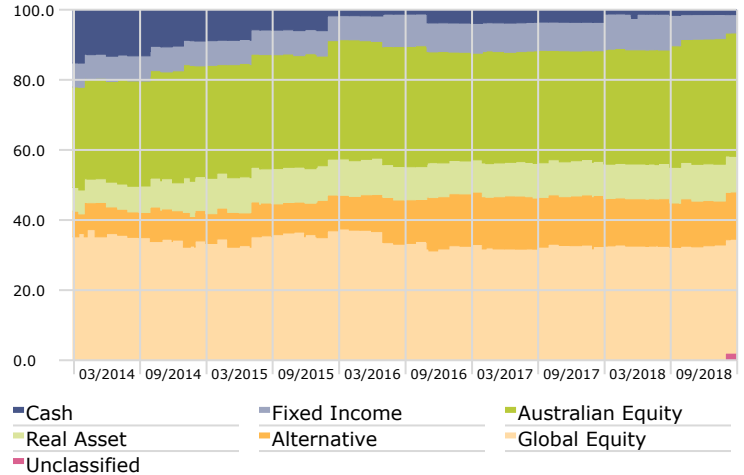
Time Period: Since Common Inception (1/03/2012) to 30/09/2018

Calculation Benchmark: Australia Fund Multisector Growth



Asset Allocation

Time Period: 1/10/2013 to 30/09/2018



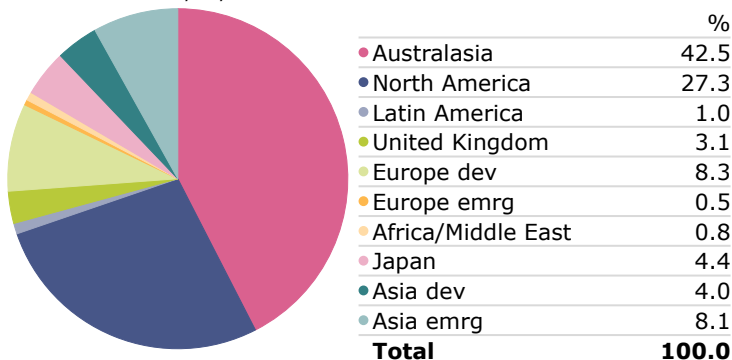
HUB24 Growth - Top Holdings

Portfolio Date: 30/09/2018

Top Holdings	Portfolio Weighting %
DNR Capital Aus Eq High Conviction	14.2
Dimensional Global Value Trust	9.7
Schroder Equity Opps	8.9
Antipodes Global Fund - Class P	8.2
Firetrail Australian High Conviction	6.1
CFM Institutional Systematic Diversified	6.1
Bennelong Concentrated Australian Eq	6.0
Capital Group New Perspective (AU)	4.9
CFS WS Glb Listed Infrastructure-Class A	3.4
State Street Australian Lstd Prpt Idx Tr	3.4
SPDR® Dow Jones Global Real Estate ETF	3.4
Dalton Street Capital Absolute Return	3.4
VanEck Vectors MSCI Wld ex Aus Qlty ETF	3.3
Platinum Asia	3.2
BMO LGM Global Emerging Markets	3.2

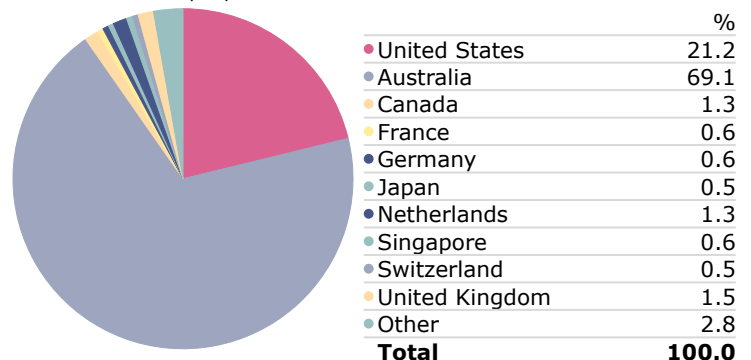
HUB24 Growth - Equity Regional Exposure

Portfolio Date: 30/09/2018



HUB24 Growth - Fixed-Inc Country Exposure

Portfolio Date: 30/09/2018



As of 30/09/2018

HUB24 Growth Monthly Update



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