

BlackRock Index - Top 20

Model (BR0002)

JUN 2024

Market Overview

The S&P/ASX200 Accumulation Index edged higher in June registering a +1.01% return, which was not enough to turn around the negative performance over the quarter (-1.05%).

The quarter to June saw increasing concern around rising inflation, with the most recent monthly indicator registering +4.0% y/y (vs +3.6% the month before). Elsewhere, GDP growth slowed with the latest reading at the start of June showing growth of +0.1% (SA q/q), slowing from the previous reading of +0.3% (SA q/q). Unemployment remains relatively low, currently at 4% (as of May 24), and recent retail sales have seen a slight bounce (+0.6% for May 24). In June, the RBA decided to hold the Official Cash Rate at 4.35%, however, with concerns around inflation rising, some commentators are suggesting an increasing probability of another rate hike at the next meeting in August.

The best performing sector for the quarter was Utilities (+13.3%), boosted by AGL and Origin. Financials (+4.0%), Information Technology (+2.9%), Health Care (+1.9%), and Consumer Staples (+0.2%) all performed better than the market in Q2. Energy (-6.8%) was the worst performing sector, impacted by declining oil prices. Real Estate (-6.0%) was also a poor performer with concerns around higher inflation and the prospect of higher rates for longer likely having an effect. Materials (-5.9%), Communication Services (-4.9%), Industrials (-4.5%), and Consumer Discretionary (-2.7%) all had underwhelming quarters too.

The best performing stock of the quarter was Telix Pharmaceuticals (+44.7%), which rose after reporting promising data from its Phase I ProstACT SELECT trial for TLX591 at the end of May. The worst performing stock of the quarter was Fletcher Building (-29.4%), which fell after management warned of a profit downgrade during an FY guidance update in May where they highlighted weakening demand in the materials and distribution sectors.

Performance as at 30 June 2024

	Gross %	Out-performance % [^]	Benchmark % [*]
1 Month	1.05%	0.03%	1.03%
3 Months	1.13%	0.25%	0.88%
6 Months	4.85%	0.77%	4.08%
1 Year	16.45%	1.49%	14.96%
3 Years (pa)	9.66%	2.10%	7.57%
5 Years (pa)	9.88%	1.81%	8.08%
10 Years (pa)	9.4%	1.92%	7.48%
Since inception (pa) [*]	10.23%	2.00%	8.23%

^{*} S&P/ASX 20 Leader Accumulation Index.

[^] Shows the difference between Portfolio Gross Return and Benchmark Return.

[#] Model performance inception date: 8/11/2005.

Past performance is no indicator of future performance. Long term performance returns show the potential volatility of returns over time. The value of investments and the income from them can fall as well as rise and is not guaranteed. You may not get back the amount originally invested. Fluctuation may be particularly marked in the case of a higher volatility Model and the value of an investment may fall suddenly and substantially. Model portfolio composition and performance have been based on theoretical tracking of the model portfolio and are gross of fees and do not take tax positions into account. Please note, actual portfolios may not perform in the same manner as the model depicted in this document, depending on the nature of your personal portfolio and any customisations.

Rounding used in the presentation of data may result in minor variations.

Summary

Model Portfolio Name	BlackRock Index – Top 20
Model Code	BR0002
Model inception date	4/11/2005
Principal investment objective	To match the return of the S&P/ASX 20 Accumulation Index
Can derivatives be used?	Yes
Indicative number of stocks	About 20
Minimum Model investment	No fixed minimum*
Model Provider's Fees*	
Investment Fee	0.10% p.a.
Performance Fee applicable?	No
Benchmark Index	S&P/ASX 20 Accumulation Index

* Please refer to the Product Disclosure Statement for further details.

About the Model Portfolios

Investment objective

The BlackRock Index – Top 20 Model Portfolio (the "Model") seeks to match the total return (both income and capital growth) of the S&P/ASX 20 Accumulation Index, before taking into account Model fees and expenses.

Investment strategy

The investment objective of this Model is pursued by investing in a representative sample of shares held in the S&P/ASX 20 Accumulation Index. The Index is comprised of the 20 largest and most liquid stocks in the Australian stock market. The Model may invest in shares that have been or are expected to be included in the Index.

Designed for investors who...

- Seek exposure to Australian equities through a portfolio of large capitalisation stocks
- Are satisfied with index returns without any active investment management
- Accept the risk of significant price fluctuations.