

#### Market Overview

Global markets experienced volatility in the third quarter of 2024, causing the S&P/ASX300 Accumulation Index to dip in early August before rebounding and achieving a +7.81% return in the three months to September.

Despite recessionary concerns in the US, and global market volatility, the RBA held the Official Cash Rate steady at 4.35% throughout Q3. Over the same period, signs of declining inflation persisted, with the latest monthly reading of the CPI indicator registering +2.7% in the 12-months to August – although trimmed-mean CPI remained high at 3.4%. Elsewhere, year-on-year GDP growth declined to 1% in the 12 months to June (down from 1.3% the previous quarter), the unemployment rate remained steady, nudging up to 4.2% for August, and while retail sales were above expectations over Q3, they softened during the July period. In addition, the Australian Dollar appreciated 3.9% relative to its US counterpart over the quarter.

The September quarter saw a benign earnings season, which suggested an economy – although slowing – holding up better-than-expected. With optimism around inflation, some of the more rate-sensitive areas of the index performed well, with Information Technology (+15.4%) and Real Estate (+14.4%) the best performing sectors. Materials (+10.8%) reversed months' worth of decline at the end of September, driven by optimism on the impact of China stimulus. Elsewhere, Consumer Discretionary (+10.6%), Industrials (+10.2%), Financials (+8.3%), and Communication Services (+8.2%) all outperformed the market. Energy (-6.4%) was the worst performing sector as oil prices declined during the period. Utilities (-1.2%), Health Care (0.5%), and Consumer Staples (+2.4%) also all underperformed.

Zip Co. (+88.4%) was the best performing stock in the three months to September. The company delivered a solid FY24 result, achieving a significant turnaround in profitability and return to positive cash EBITDA. The worst performing stock over the quarter was Star Entertainment (-39.8%). Trading on the stock was held at the end of August, and throughout much of September, as the final report of the 2024 Independent Bell Inquiry was released, which highlighted several governance concerns.

#### Performance as at 30 September 2024

	Gross %	Out-performance % <sup>^</sup>	Benchmark % <sup>*</sup>
1 Month	3.55%	0.48%	3.07%
3 Months	6.72%	-1.09%	7.81%
6 Months	5.46%	-1.06%	6.52%
1 Year	19.2%	-2.49%	21.69%
3 Years (pa)	13.5%	5.37%	8.13%
5 Years (pa)	10.44%	2.15%	8.29%
10 Years (pa)	11.46%	2.54%	8.92%
Since inception (pa) <sup>*</sup>	9.5%	1.72%	7.78%

<sup>\*</sup> S&P/ASX 300 Accumulation Index.

<sup>^</sup> Shows the difference between Portfolio Gross Return and Benchmark Return.

<sup>#</sup> 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

<b>Model Portfolio Name</b>	BlackRock Equity Yield Focus
<b>Model Code</b>	BR0005
<b>Model inception date</b>	4/11/2005
<b>Principal investment objective</b>	Tax effective and growing income stream
<b>Can derivatives be used?</b>	Yes
<b>Indicative number of stocks</b>	Up to 40
<b>Minimum Model investment</b>	No fixed minimum*
<b>Model Provider's Fees*</b>	
<b>Investment Fee</b>	0.40% p.a.
<b>Performance Fee applicable?</b>	No
<b>Benchmark Index</b>	S&P/ASX 300 Accumulation Index^

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

^ Adjusted for franking credits.

## About the Model Portfolios

### Investment objective

The primary aim of the BlackRock Equity Yield Focus Model Portfolio (the "Model") is to provide the investor with a tax effective and growing income stream sourced primarily from dividend payments by companies listed on the Australian Stock Exchange. Through investing in equity markets there is also the prospect of capital gains over time.

### Investment strategy

The investment objective of the Model is pursued by investing in a moderately diversified portfolio of shares, whilst maintaining low portfolio turnover levels. The Model invests in stocks which are expected to pay grossed-up dividend yields (including anticipated special dividends) in excess of the market average over the medium term. A portfolio of these stocks is developed in a manner which aims to ensure that industry exposures are diverse.

### Designed for investors who...

- Seek a tax-effective income stream with some capital growth
- Accept the risk that some volatility will be experienced