

Portfolio Profile

Antares Dividend Builder Model Portfolio September 2020



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Model Portfolio description and investment return objective

The Antares Dividend Builder Model Portfolio is an actively managed model portfolio of high yielding equities listed on the Australian share market which aims to deliver regular dividend income and moderate capital growth. The primary investment objective is to regularly generate higher levels of dividend income on a tax-effective basis than the S&P/ASX200 Industrials Total Return Index (Benchmark) and moderate capital growth over rolling five year periods.

Investment returns as at 30 September 2020¹²³

Period	1 month	3 months	1 year	3 years pa	5 years pa	Since inception pa
Income yield %	-	-	3.62	4.52	4.61	-
Benchmark yield %	-	-	2.84	3.72	3.89	-
Gross return* %	-2.6	-2.3	-20.8	-2.8	2.0	7.3

Model Portfolio performance and attribution

The Antares Dividend Builder Model Portfolio's annual income yield to 30 September 2020 of 3.62% exceeded the Benchmark yield of 2.84%. During September, dividend income was received from Alumina, Amcor plc, ANZ, APA Group, Aurizon, CBA, Coles, Iress, Medibank Private, Mirvac, Telstra and Viva Energy.

Contributing to capital returns were overweight positions in Nine Entertainment (NEC), Boral (BLD) and Coca Cola Amatil (CCL). Since delivering its results in August, NEC has achieved greater market recognition of the transformation of a large proportion of its business to a digital subscription model. The strength in US housing demand continues and locally the home building sector has been resilient with the BLD share price also supported by the anticipated stimulus measures in the Federal Government budget. CCL shares have benefitted from the investor interest in sectors, including hospitality, that will open up post coronavirus-related closures.

Detracting from returns was an overweight position in Medibank Private (MPL). The Fund did not own CSL or Transurban (TCL) which performed well during September. MPL shares were left behind as the market focused on stocks that would benefit from the re-opening of the economy. CSL is seen as likely to benefit from the development of a coronavirus vaccine and also derives a high proportion of its earnings offshore, a positive given the Australian dollar's recent weakness. As the US and most of Australia returns to work, TCL's toll road volumes are expected to increase not only with the return of regular drivers, but with additional usage from commuters who are reluctant to use public transport in the wake of the coronavirus.

Buys / Additions

Nil

Sales / Reductions

Nil

Top 10 share holdings

as at 30 September 2020 (alphabetical)

- Amcor
- ANZ Banking Group
- Aurizon Holdings
- GPT Group
- Medibank Private
- Metcash
- National Australia Bank
- Tabcorp
- Telstra
- Westpac Banking Corporation

Sector allocation

GICS	%
Financials Ex Reits	33.97
Consumer Staples	12.75
Communication Services	10.63
Materials Ex Metals & Mining	9.71
Consumer Discretionary	9.02
Real Estate	8.71
Industrials	5.31
Energy	3.44
Information Technology	2.80
Metals & Mining	1.86
Utilities	1.79
Health Care	0.00

Source: Antares Equities; 30 Sep 2020

Note: GICS - Global Industry Classification Standard
% are absolute ie sector proportion of portfolio

¹ Past performance is not a reliable indicator of future performance. Returns are not guaranteed and actual returns may vary from any target returns described in this document. The value of an investment may rise or fall with the changes in the market. ² Investment returns for the Model Portfolio are based on a notional model portfolio constructed by Antares and are gross of administration (platform) and investment management fees, net of estimated transaction costs, and assume all dividends remain in the Model Portfolio. ³ Performance is based on the income and market value of the notional Model Portfolio. Inception date for the Model Portfolio is 22 November 2010.

Investment guidelines and ranges

	Minimum	Benchmark Allocation	Maximum	As at 30 Sep 20
Australian shares	90%	100%	100%	94.0%
Cash and cash equivalents	0%	0%	10%	6.0%

Portfolio managers

Glenn Hart

Co-Head of Equities

Key Responsibilities

Glenn is the Co-Head of Equities responsible for leading the Australian Equities team and is the Portfolio Manager of Dividend Builder

Years with the group 23

Years of Industry Experience 33



Vikrant Gupta

Investment Manager

Key Responsibilities

Vikrant is the Deputy Portfolio Manager of Dividend Builder.

Years with the group 8

Years of Industry

Experience 11



Investor profile

The Dividend Builder Model Portfolio is designed for investors seeking a stable, tax effective income stream through participating in the Australian share market and investing in companies providing dividend growth. It may also act as an income stabiliser in investment portfolios, especially during shifting or uncertain markets..

Model Portfolio facts

Inception date:	22 November 2010
Benchmark:	S&P/ASX 200 Industrials Total Return Index
Investment timeframe:	At least 5 years
No of shares:	13 to 25
Indicative portfolio turnover:	20% to 30% p.a.
Relative risk:	High
Relative return¹:	High

Platform availability

ANZ Grow, BT Panorama, Macquarie, Navigator, Netwealth and Praemium.

Ratings



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For further information please contact our Client Services Team - Toll Free: 1800 671 849

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