

Suncorp WealthSmart® Product Update

Issued 9 October 2015

Changes to the Suncorp Diversified Portfolios

Effective 1 November 2015, the Suncorp Diversified Portfolios will change as detailed below.

Current name		New name		
Suncorp Secure Portfolio		Suncorp Conservative Portfolio		
Current investment objective		New investment objective ¹		
Aims to earn a rate of return that exceeds CPI increases by at least 0.5% over rolling 1 year periods.		Aims to outperform the investment benchmark (SAA weighted composite return of the sector benchmarks) over 3 to 5 years.		
Current investment strategy		New investment strategy		
An actively managed diversified Portfolio with a long term average exposure of around 85% to income assets such as fixed interest and cash and around 15% exposure to growth assets such as shares and property. The Portfolio will be invested dynamically across managed funds, direct securities, exchange traded funds, foreign exchange contracts and/or derivatives. The Portfolio aims to deliver real returns whilst preserving capital over the targeted investment horizon.		An actively managed diversified Portfolio with a long term average exposure of around 75% to defensive assets such as fixed interest and cash and around 25% exposure to growth assets such as shares and property. The Portfolio will be invested across managed funds, direct securities, exchange traded funds, foreign exchange contracts and/or derivatives. The Portfolio aims to deliver real returns whilst preserving capital over the targeted investment horizon.		
Strategic Asset Allocation (SAA)	Current SAA (%)	Current range (%)	New SAA (%)	New range (%)
Australian shares	3.0	0 – 10	7.0	0 – 30
International shares	3.0	0 – 10	7.0	0 – 30
Property securities	1.0 (Aus) 0.0 (Int'l)	0 – 10 0 – 10	4.0	0 – 20
Global infrastructure	0.0	0 – 10	2.0	0 – 10
Alternatives	0.0	0 – 10	5.0	0 – 25
Total growth	-	-	25.0	15 – 35
Australian bonds	6.0	0 – 20	25.0	0 – 40
International bonds (hedged)	5.0	0 – 20	14.0	0 – 40
Inflation linked securities (hedged)	3.0	0 – 15	6.0	0 – 20
Cash	79.0	65 – 100	30.0	10 – 70
Total defensive	-	-	75.0	65 – 85

¹ The Portfolio is managed as a target risk portfolio with a primary objective to outperform a strategic asset allocation ('SAA') weighted benchmark. The Portfolio has a secondary objective to earn a return commensurate with CPI plus a margin. The investment objective is measured before fees, costs and taxes are deducted. The return target is not intended to be a forecast, it is merely an indication of what the Portfolio aims to achieve over the investment time horizon.

Current Standard Risk Measure	New Standard Risk Measure
1 – Very Low	3 – Low to medium
Current investment time horizon	New investment time horizon
1 year	3 years

Current name		New name		
Suncorp Conservative Portfolio		Suncorp Moderate Portfolio		
Current investment objective		New investment objective ¹		
Aims to earn a rate of return that exceeds CPI increases by at least 1.0% over rolling 3 year periods.		Aims to outperform the investment benchmark (SAA weighted composite return of the sector benchmarks) over 4 to 6 years.		
Current investment strategy		New investment strategy		
An actively managed diversified Portfolio with a long term average exposure of around 30% to growth assets such as shares, property and alternative investments and around 70% exposure to income assets such as cash and fixed interest. The Portfolio will be invested dynamically across managed funds, direct securities, exchange traded funds, foreign exchange contracts and/or derivatives. The Portfolio aims to deliver real returns whilst preserving capital over the targeted investment horizon.		An actively managed diversified Portfolio with a long term average exposure of around 45% to growth assets such as shares and property and around 55% exposure to defensive assets such as fixed interest and cash. The Portfolio will be invested across managed funds, direct securities, exchange traded funds, foreign exchange contracts and/or derivatives. The Portfolio aims to deliver real returns whilst preserving capital over the targeted investment horizon.		
Strategic Asset Allocation (SAA)	Current SAA (%)	Current range (%)	New SAA (%)	New range (%)
Australian shares	14.0	0 – 30	14.0	0 – 35
International shares	10.0	0 – 30	16.0	0 – 35
Property securities	3.0 (Aus) 1.0 (Int'l)	0 – 15 0 – 15	6.0	0 – 25
Global infrastructure	2.0	0 – 10	3.0	0 – 10
Alternatives	6.0	0 – 25	6.0	0 – 25
Total growth	-	-	45.0	35 – 55
Australian bonds	16.0	0 – 30	21.0	0 – 35
International bonds (hedged)	14.0	0 – 30	10.0	0 – 35
Inflation linked securities (hedged)	6.0	0 – 20	6.0	0 – 20
Cash	28.0	0 – 70	18.0	0 – 60
Total defensive	-	-	55.0	45 - 65
Current Standard Risk Measure		New Standard Risk Measure		
3 – Low to medium		4 – Medium		
Current investment time horizon		New investment time horizon		
3 years		4 years		

Current name		New name		
Suncorp Balanced Portfolio		No change		
Current investment objective		New investment objective ¹		
Aims to earn a rate of return that exceeds CPI increases by at least 2.5% over rolling 5 year periods.		Aims to outperform the investment benchmark (SAA weighted composite return of the sector benchmarks) over 5 to 7 years.		
Current investment strategy		New investment strategy		
An actively managed diversified Portfolio with a long term average exposure of around 50% to growth assets such as shares, property and alternative investments and around 50% exposure to income assets such as cash and fixed interest. The Portfolio will be invested dynamically across managed funds, direct securities, exchange traded funds, foreign exchange contracts and/or derivatives. The Portfolio aims to deliver real returns whilst preserving capital over the targeted investment horizon.		An actively managed diversified Portfolio with a long term average exposure of around 60% to growth assets such as shares and property and around 40% exposure to defensive assets such as fixed interest and cash. The Portfolio will be invested across managed funds, direct securities, exchange traded funds, foreign exchange contracts and/or derivatives. The Portfolio aims to deliver real returns whilst preserving capital over the targeted investment horizon.		
Strategic Asset Allocation (SAA)	Current SAA (%)	Current range (%)	New SAA (%)	New range (%)
Australian shares	23.0	0 – 45	21.0	0 – 45
International shares	17.0	0 – 45	23.0	0 – 45
Property securities	5.0 (Aus) 2.0 (Int'l)	0 – 20 0 – 20	7.0	0 – 30
Global infrastructure	3.0	0 – 15	3.0	0 – 15
Alternatives	8.0	0 – 25	6.0	0 – 25
Total growth	-	-	60.0	70 – 80
Australian bonds	13.0	0 – 30	15.0	0 – 30
International bonds (hedged)	11.0	0 – 30	8.0	0 – 30
Inflation linked securities (hedged)	6.0	0 – 20	5.0	0 – 20
Cash	12.0	0 – 55	12.0	0 – 55
Total defensive	-	-	40.0	30 - 50
Current Standard Risk Measure		New Standard Risk Measure		
4 - Medium		5 – Medium to high		
Current investment time horizon		New investment time horizon		
5 years		No change		

Current name		New name		
Suncorp Growth Portfolio		No change		
Current investment objective		New investment objective ¹		
Aims to earn a rate of return that exceeds CPI increases by at least 3.5% over rolling 7 year periods.		Aims to outperform the investment benchmark (SAA weighted composite return of the sector benchmarks) over 5 to 10 years.		
Current investment strategy		New investment strategy		
An actively managed diversified Portfolio with a long term average exposure of around 70% to growth assets such as shares, property and alternative investments and around 30% exposure to income assets such as cash and fixed interest. The Portfolio will be invested dynamically across managed funds, direct securities, exchange traded funds, foreign exchange contracts and/or derivatives. The Portfolio aims to deliver real returns whilst preserving capital over the targeted investment horizon.		An actively managed diversified Portfolio with a long term average exposure of around 75% to growth assets such as shares and property and around 25% exposure to defensive assets such as fixed interest and cash. The Portfolio will be invested across managed funds, direct securities, exchange traded funds, foreign exchange contracts and/or derivatives. The Portfolio aims to deliver real returns whilst preserving capital over the targeted investment horizon.		
Strategic Asset Allocation (SAA)	Current SAA (%)	Current range (%)	New SAA (%)	New range (%)
Australian shares	32.0	0 – 60	26.0	0 – 60
International shares	24.0	0 – 60	29.0	0 – 60
Property securities	7.0 (Aus) 3.0 (Int'l)	0 – 25 0 – 25	8.0	0 – 40
Global infrastructure	3.0	0 – 20	4.0	0 – 20
Alternatives	11.0	0 – 25	8.0	0 – 25
Total growth	-	-	75.0	65 – 85
Australian bonds	7.0	0 – 20	11.0	0 – 20
International bonds (hedged)	6.0	0 – 20	6.0	0 – 20
Inflation linked securities (hedged)	3.0	0 – 15	3.0	0 – 15
Cash	4.0	0 - 45	5.0	0 – 45
Total defensive	-	-	25.0	15 – 35
Current Standard Risk Measure		New Standard Risk Measure		
5 – Medium to high		6 – High		
Current investment time horizon		New investment time horizon		
7 years		No change		

Current name		New name		
Suncorp High Growth Portfolio		No change		
Current investment objective		New investment objective ¹		
Aims to earn a rate of return that exceeds CPI increases by at least 5.0% over rolling 10 year periods.		Aims to outperform the investment benchmark (SAA weighted composite return of the sector benchmarks) over 5 to 10 years.		
Current investment strategy		New investment strategy		
An actively managed diversified Portfolio with a long term average exposure of around 95% to growth assets such as shares, property and alternative investments and around 5% exposure to income assets such as cash and fixed interest. The Portfolio will be invested dynamically across managed funds, direct securities, exchange traded funds, foreign exchange contracts and/or derivatives. The Portfolio aims to deliver real returns whilst preserving capital over the targeted investment horizon.		An actively managed diversified Portfolio with a long term average exposure of around 95% to growth assets such as shares and property and around 5% exposure to defensive assets such as cash and fixed interest. The Portfolio will be invested across managed funds, direct securities, exchange traded funds, foreign exchange contracts and/or derivatives. The Portfolio aims to deliver real returns whilst preserving capital over the targeted investment horizon.		
Strategic Asset Allocation (SAA)	Current SAA (%)	Current range (%)	New SAA (%)	New range (%)
Australian shares	44.0	0 – 70	34.0	0 – 65
International shares	33.0	0 – 70	37.0	0 – 65
Property securities	10.0 (Aus) 4.0 (Int'l)	0 – 30 0 – 30	13.0	0 – 40
Global infrastructure	4.0	0 – 20	5.0	0 – 20
Alternatives	4.0	0 – 35	6.0	0 – 25
Total growth	-	-	95.0	85 – 100
Australian bonds	0.0	0 – 10	2.0	0 – 15
International bonds (hedged)	0.0	0 – 10	1.0	0 – 15
Inflation linked securities (hedged)	0.0	0 – 10	0.0	0 – 15
Cash	1.0	0 – 20	2.0	0 – 35
Total defensive	-	-	5.0	0 - 15
Current Standard Risk Measure		New Standard Risk Measure		
6 - High		No change		
Current investment time horizon		New investment time horizon		
10 years		No change		

Asset class benchmarks

The table below shows the asset class (sector) benchmarks.

Asset sector	Asset class benchmark	Sector benchmark allocation
Australian Shares	S&P/ASX 300 Accumulation Index	100%
International Shares	<ul style="list-style-type: none"> MSCI All Country World ex-Australia Index with Net Dividends Reinvested (Unhedged) MSCI All Country World ex-Australia Index with Net Dividends Reinvested (A\$ Hedged) 	50% 50%
Property Securities	<ul style="list-style-type: none"> S&P/ASX 300 Property Accumulation Index FTSE/NAREIT Developed Markets Real Estate Index (\$A Hedged) 	40% 60%
Global Infrastructure	S&P Global Infrastructure Net Return (A\$ Hedged)	100%
Alternative Investments	Bloomberg AusBond Bank Bill Index	100%
Australian Bonds	Bloomberg AusBond Composite Index	100%
International Bonds (Hedged)	Barclays Global Aggregate A\$ Hedged Index	100%
Global Inflation-Linked Securities (Hedged)	Ibbotson Inflation-Linked Index (A\$ Hedged)	100%
Cash	Bloomberg AusBond Bank Bill Index	100%

Need more information?

If there's anything else you need to know, please speak to your adviser or call our Customer Service team on 13 11 55 between 8am and 6pm (Australian Eastern Standard Time) Monday to Friday. We'll be happy to help.

Important disclosure

Suncorp Portfolio Services Limited (Trustee) (ABN 61 063 427 958, AFSL 237905, RSE Licence No L0002059) and Suncorp Life & Superannuation Limited (SLSL) (ABN 87 073 979 530, AFSL 229880) are related bodies corporate of Suncorp-Metway Limited (Suncorp) (ABN 66 010 831 722). The obligations of the Trustee and SLSL are not guaranteed by any other company within the Suncorp Group. Except as otherwise stated, Suncorp and its subsidiaries do not guarantee the repayment of capital invested in or the investment performance of this product. This product is not a bank deposit or other bank liability and is subject to investment risk including possible delays in repayment and loss of the interest and principal invested.

This Product Update is issued by the Trustee and updates the following products:

- Suncorp WealthSmart Personal Super
- Suncorp WealthSmart Business Super
- Suncorp WealthSmart Pension
- Suncorp WealthSmart Term Allocated Pension