

#### Market Overview

The S&P/ASX200 Accumulation Index ended the last quarter lower; after falling in October, the index had a strong November, before giving back much of the gains over December. However, the positive first and third quarters saw the index add a second year of double-digit returns.

Annual inflation, to the September quarter, fell to 2.8% after only rising 0.2% over the quarter – helped by lower petrol prices as the oil price weakened, and power prices which were muted by government rebates. However, the trimmed mean fell to 3.5% and remained above the RBA’s target band. Wage growth slowed as the quarterly print was again 0.8%, taking annual growth to 3.5%. Unemployment fell to 3.9% with more full-time employment in October. Growth slowed as the economy grew 0.3% for the September quarter, taking annual growth to 0.8%, even as it was helped by increased government spending. The RBA once again held rates steady at 4.35% as they remained concerned about underlying inflation. The Australian dollar continued its fall against the USD, ending the year at 62.2c.

Financials (+5.9%) added the most for the quarter, powered by the banks, helped by insurers. Industrials (3.3%) the next best sector as professional services and transportation names added. The biggest drag came from the Materials (-11.9%) sector as the big miners and lithium names in particular struggled, and construction materials came under pressure. Real Estate (-6.3%), Energy (-5.4%) and Consumer Staples (-5.4%) were also negative contributors.

The best performing stock of the quarter was lithium miner Arcadium Lithium (+93.4%) which was targeted to be acquired by Rio Tinto. The worst performing stock of the quarter was Web Travel (-37.6%) after the company reported preliminary H1 results in October which included material downgrades in revenue, EBITDA and EPS forecasts.

#### Performance as at 31 December 2024

##### BlackRock Concentrated Australian Share 1

	Gross	Out-performance <sup>A</sup>	Benchmark*
1 Month	-2.13%	1.03%	-3.15%
3 Months	0.71%	1.51%	-0.8%
6 Months	4.67%	-2.26%	6.93%
1 Year	6.49%	-4.95%	11.44%
3 Years (pa)	8.16%	0.74%	7.41%
5 Years (pa)	8.76%	0.71%	8.05%
10 Years (pa)	9.57%	1.06%	8.51%
Since inception (pa)*	8.92%	1.23%	7.68%

\* S&P/ASX 200 Accumulation Index.

<sup>A</sup>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.

## About the Model Portfolios

### Investment objective

The BlackRock Concentrated Australian Share 1 and 2 Model Portfolios ("Model Portfolios") aim to achieve capital growth by actively managing a concentrated portfolio of Australian shares and other securities and to provide investors with some tax effective income through the receipt of franked dividends.

### Investment strategy

The investment objective of the BlackRock Concentrated Australian Share 1 and 2 Model Portfolios is pursued by investing in securities listed in the S&P/ASX 200 Accumulation Index which exhibit a growth outlook (or exhibit a bias to growth characteristics). Growth securities are generally stock that achieve steady cash flow generation capability. The BlackRock Concentrated Australian Share 1 and 2 Model Portfolios are created monthly. The portfolios invest in stocks in the S&P/ASX 200 Accumulation Index that are ranked well on measures of operating growth

### Designed for investors who...

- Seek capital growth with some tax effective income; and
- Accept the risk of significant price fluctuations.

Summary	
Model Portfolio Name	BlackRock Concentrated Australian Share 1
Model Code	BR0001
Model inception date	4/11/2005
Principal investment objective	Capital growth and some tax effective income
Can derivatives be used?	Yes
Indicative number of stocks	20 – 30
Minimum Model investment	No fixed minimum*
Model Provider's Fees*	
Investment Fee	0.40% p.a.
Performance Fee applicable?	No
Benchmark Index	S&P/ASX 200 Accumulation Index

1. On 14 June 2012, BR0001 and BR0003 adopted the same investment strategy as BR0012. As such, the investment strategy changed from a fundamental stock selection process to one based on a range of growth characteristics.

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