

Invesco Wholesale Australian Share Fund - Class A

Monthly factsheet

30 November 2022

Fund Managers - Invesco Australian Equities Team

André Roberts

Senior Portfolio Manager

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Portfolio Manager

Fund performance analysis (periods to 30 November 2022)

Net performance

| Periods | Fund % | Benchmark % | Value added % |
|------------------------|--------|-------------|---------------|
| 1 month | 6.66 | 6.49 | 0.17 |
| 3 months | 6.90 | 5.74 | 1.16 |
| 6 months | 2.92 | 3.19 | -0.27 |
| 1 year | 6.71 | 4.27 | 2.44 |
| 2 years p.a. | 10.26 | 9.99 | 0.27 |
| 3 years p.a. | 6.98 | 5.97 | 1.01 |
| 5 years p.a. | 8.62 | 8.22 | 0.40 |
| 7 years p.a. | 10.60 | 9.38 | 1.22 |
| 10 years p.a. | 10.45 | 9.34 | 1.11 |
| Calendar year to date | 2.46 | 1.58 | 0.88 |
| Financial year to date | 13.54 | 13.35 | 0.19 |
| Since inception p.a. | 9.66 | 9.43 | 0.23 |

The Fund returns are shown after ongoing fees and assumes reinvestment of income. Past returns are not a reliable indicator of future returns. Future returns may be affected by a range of factors including economic and market influences.

Net distribution growth splits

| Periods | Distribution % | Growth % | Total % |
|---------------|----------------|----------|---------|
| 3 months | 0.00 | 6.90 | 6.90 |
| 6 months | 3.10 | -0.18 | 2.92 |
| 1 year | 4.06 | 2.65 | 6.71 |
| 2 years p.a. | 3.41 | 6.85 | 10.26 |
| 3 years p.a. | 3.21 | 3.77 | 6.98 |
| 5 years p.a. | 3.29 | 5.33 | 8.62 |
| 7 years p.a. | 3.35 | 7.25 | 10.60 |
| 10 years p.a. | 3.33 | 7.12 | 10.45 |

Net risk profile

| Periods | Tracking error % | Information Ratio |
|----------------------|------------------|-------------------|
| 1 year | 2.47 | 0.99 |
| 2 years p.a. | 2.50 | 0.11 |
| 3 years p.a. | 2.72 | 0.37 |
| 5 years p.a. | 2.84 | 0.14 |
| 7 years p.a. | 2.78 | 0.44 |
| 10 years p.a. | 2.68 | 0.42 |
| Since inception p.a. | 2.62 | 0.09 |

Fund analysis (as at 30 November 2022)

Assets under management

| | A\$m |
|---------------|--------|
| Fund AUM: | 211.74 |
| Strategy AUM: | 211.74 |

Fund ratings



1



2

| |
|--|
| Fund facts at a glance |
| Asset class Australian equities |
| Objective³ The Fund aims to provide long-term capital growth and some distributions by investing in larger capitalisation securities listed on the Australian sharemarket. |
| Management style Style-neutral, quantitative |
| Benchmark <ul style="list-style-type: none"> From inception to 31/3/00 = ASX All Ordinaries Accumulation Index From 1/4/00 = S&P/ASX 300 Accumulation Index From 19/4/11 = S&P/ASX 200 Accumulation Index From 15/2/13 = S&P/ASX 300 Accumulation Index |
| Risk profile High |
| Time horizon 7 years |
| Distribution frequency Half-yearly |
| Inception date⁴ 30/4/91 |
| Minimum investment \$20,000 |
| MER/ICR 0.44% |
| Buy/Sell Spread 0.15%/0.15% |
| APIR code CNAO811AU |

| Sector allocation | | | |
|--------------------------------|---------------|--------------------|------------------------|
| Sector | Fund % | Benchmark % | Active weight % |
| Communication Services | 1.80 | 3.75 | -1.95 |
| Consumer Discretionary | 5.68 | 6.47 | -0.79 |
| Consumer Staples | 4.75 | 4.58 | 0.17 |
| Energy | 7.88 | 6.22 | 1.66 |
| Financials Ex Lpt | 28.24 | 28.28 | -0.04 |
| Health Care | 7.76 | 9.98 | -2.22 |
| Industrials | 8.21 | 5.97 | 2.23 |
| Information Technology | 2.35 | 3.02 | -0.66 |
| Materials Ex Metals and Mining | 2.73 | 2.30 | 0.43 |
| Metals and Mining | 22.97 | 21.83 | 1.14 |
| Real Estate | 5.14 | 6.18 | -1.03 |
| Utilities | 0.36 | 1.42 | -1.06 |
| [Other] | 2.24 | 0.00 | 2.24 |
| Cash [net of payables] | -0.11 | 0.00 | -0.11 |

| Five largest overweight positions | | | |
|--|---------------|--------------------|------------------------|
| Security | Fund % | Benchmark % | Active weight % |
| JB Hi-Fi Limited | 2.15 | 0.22 | 1.93 |
| Vicinity Centres | 2.28 | 0.35 | 1.93 |
| Bendigo and Adelaide Bank Ltd. | 2.11 | 0.23 | 1.88 |
| Rio Tinto Limited | 3.69 | 1.83 | 1.86 |
| Qantas Airways Limited | 2.37 | 0.53 | 1.84 |

| Five largest underweight positions | | | |
|---|---------------|--------------------|------------------------|
| Security | Fund % | Benchmark % | Active weight % |
| Wesfarmers Limited | 0.48 | 2.48 | -2.00 |
| Woolworths Group Ltd | 0.00 | 1.88 | -1.88 |
| Goodman Group | 0.00 | 1.46 | -1.46 |
| National Australia Bank Limited | 3.27 | 4.51 | -1.24 |
| CSL Limited | 5.35 | 6.51 | -1.16 |

| 10 largest holdings | | | |
|---|---------------|--------------------|------------------------|
| Security | Fund % | Benchmark % | Active weight % |
| BHP Group Ltd | 11.70 | 10.38 | 1.32 |
| Commonwealth Bank of Australia | 10.06 | 8.29 | 1.77 |
| CSL Limited | 5.35 | 6.51 | -1.16 |
| Westpac Banking Corporation | 4.64 | 3.75 | 0.90 |
| Woodside Energy Group Ltd | 3.82 | 3.19 | 0.63 |
| Rio Tinto Limited | 3.69 | 1.83 | 1.86 |
| National Australia Bank Limited | 3.27 | 4.51 | -1.24 |
| Australia and New Zealand Banking Group Limited | 2.56 | 3.33 | -0.77 |
| Qantas Airways Limited | 2.37 | 0.53 | 1.84 |
| Vicinity Centres | 2.28 | 0.35 | 1.93 |

Note: Security selection will change. You should not rely on this statement in making an investment decision about any security, but should make your own independent enquiries.

Performance commentary

Australian stocks rose strongly over November, with all sectors finishing up. Gains were led by Utilities and Materials, largely as sentiment around iron ore turned positive on China's property support measures and potential reopening. Consumer Discretionary and Financials sector lagging behind, but still closing in positive territory.

Our multi-factor model had a slightly positive effect on the active performance in November. Value and Quality contributed slightly positively to relative return during the month, while Momentum had a small negative attributed impact on returns. Stock-specific effects, which are not attributable to any other factor, weighted positively on performance.

Impact from active sector weights, which are a by-product of the multi-factor optimisation process, was neutral over the month. While our underweight in the Consumer Discretionary and overweight in the Materials sector added positively to performance, our underweight in the Utilities sector and overweight in the Energy sector had a negative impact on performance.

Model commentary

Over November, the Australian multi-factor model posted marginally positive results. The Momentum factor recorded slightly positive returns, with price momentum outperforming earnings momentum. Quality and Value performed strongly throughout the month.

Within our Australian universe, the highest rated stocks identified by our multi-factor model slightly outperformed the broader market, while the least attractively rated stocks underperformed strongly.

Portfolio activity

During the month we made several adjustments to the portfolio as a result of our multi-factor portfolio optimisation process. Amongst others, we increased our position in Telstra corp. ltd based on its positive factor score in Value. On the other hand, we reduced our position in Medibank Private as a result of its negative Quality factor score and negative alpha contribution.

Risk management

The ex-ante tracking error of the fund was at 3.38% at month-end. Attributing by sources of active risk, 66% the major part of active risk is associated with our multi-factor model, which includes stock-specific risks as a by-product of our stock selection process. Risk indices representing other style exposures within the portfolio contributed 5% to active risk. Industry risk contribution, a by-product of stock selection, represented additional 9%. Within a product specific range, the portfolio beta was 1.0 at month-end.

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Notes

¹The rating issued for CNA0811AU September 2022 is published by Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421 445 (Lonsec). Ratings are general advice only, and have been prepared without taking account of your objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The rating is not a recommendation to purchase, sell or hold any product. Past performance information is not indicative of future performance. Ratings are subject to change without notice and Lonsec assumes no obligation to update. Lonsec uses objective criteria and receives a fee from the Fund Manager. Visit lonsec.com.au for ratings information and to access the full report. © 2022 Lonsec. All rights reserved.

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³Invesco does not guarantee that the Fund will achieve its objective.

⁴The IQS team assumed management of the fund on 15th February 2013. Prior to this date, the fund was run primarily on a ‘fundamental value’ basis.

Important information

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