

# Invesco Wholesale Australian Share Fund - Class A

Monthly factsheet

31 March 2023

## Fund Managers - Invesco Australian Equities Team

**André Roberts**  
Senior Portfolio Manager

**Ritchard Longmire**  
Senior Portfolio Manager

**Neil Lahy**  
Senior Portfolio Manager

**Nicole Schnuderl**  
Senior Portfolio Manager

**CJ Tsai**  
Portfolio Manager

## Fund performance analysis (periods to 31 March 2023)

Net performance			
Periods	Fund %	Benchmark %	Value added %
1 month	-0.55	-0.24	-0.31
3 months	1.37	3.33	-1.96
6 months	11.33	12.76	-1.43
1 year	-2.54	-0.57	-1.97
2 years p.a.	5.75	7.03	-1.28
3 years p.a.	15.73	16.59	-0.86
5 years p.a.	8.16	8.64	-0.48
7 years p.a.	9.87	9.37	0.50
10 years p.a.	9.09	8.13	0.96
Calendar year to date	1.37	3.33	-1.96
Financial year to date	11.91	13.28	-1.37
Since inception p.a.	9.51	9.33	0.18

## Fund ratings



1



2

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	1.74	-0.37	1.37
6 months	1.92	9.41	11.33
1 year	4.56	-7.10	-2.54
2 years p.a.	3.75	2.00	5.75
3 years p.a.	3.70	12.03	15.73
5 years p.a.	3.25	4.91	8.16
7 years p.a.	3.35	6.52	9.87
10 years p.a.	3.48	5.61	9.09

## Net risk profile

Periods	Tracking error %	Information Ratio
1 year	1.87	-1.06
2 years p.a.	2.58	-0.50
3 years p.a.	2.40	-0.36
5 years p.a.	2.57	-0.19
7 years p.a.	2.77	0.18
10 years p.a.	2.66	0.36
Since inception p.a.	2.62	0.07

## Fund analysis (as at 31 March 2023)

### Assets under management

	A\$m
Fund AUM:	218.53
Strategy AUM:	218.53

<b>Fund facts at a glance</b>
<b>Asset class</b> Australian equities
<b>Objective<sup>3</sup></b> The Fund aims to provide long-term capital growth and some distributions by investing in larger capitalisation securities listed on the Australian sharemarket.
<b>Management style</b> Style-neutral, quantitative
<b>Benchmark</b> <ul style="list-style-type: none"> <li>From inception to 31/3/00 = ASX All Ordinaries Accumulation Index</li> <li>From 1/4/00 = S&amp;P/ASX 300 Accumulation Index</li> <li>From 19/4/11 = S&amp;P/ASX 200 Accumulation Index</li> <li>From 15/2/13 = S&amp;P/ASX 300 Accumulation Index</li> </ul>
<b>Risk profile</b> High
<b>Time horizon</b> 7 years
<b>Distribution frequency</b> Half-yearly
<b>Inception date<sup>4</sup></b> 30/4/91
<b>Minimum investment</b> \$20,000
<b>MER/ICR</b> 0.44%
<b>Buy/Sell Spread</b> 0.15%/0.15%
<b>APIR code</b> CNA0811AU

<b>Sector allocation</b>			
<b>Sector</b>	<b>Fund %</b>	<b>Benchmark %</b>	<b>Active weight %</b>
Communication Services	2.56	4.00	-1.44
Consumer Discretionary	6.86	6.69	0.17
Consumer Staples	3.98	4.90	-0.91
Energy	7.26	5.49	1.77
Financials Ex Lpt	27.55	26.72	0.82
Health Care	8.39	10.07	-1.68
Industrials	9.04	6.90	2.14
Information Technology	1.10	2.23	-1.13
Materials Ex Metals and Mining	1.39	2.25	-0.86
Metals and Mining	23.88	23.38	0.51
Real Estate	3.57	5.96	-2.39
Utilities	0.33	1.42	-1.09
[Other]	4.36	0.00	4.36
Cash [net of payables]	-0.26	0.00	-0.26

<b>Five largest overweight positions</b>			
<b>Security</b>	<b>Fund %</b>	<b>Benchmark %</b>	<b>Active weight %</b>
Qantas Airways Limited	2.55	0.55	2.00
JB Hi-Fi Limited	2.18	0.21	1.97
BHP Group Ltd	12.57	10.93	1.64
Brambles Limited	2.42	0.85	1.57
Bendigo and Adelaide Bank Ltd.	1.76	0.23	1.53

<b>Five largest underweight positions</b>			
<b>Security</b>	<b>Fund %</b>	<b>Benchmark %</b>	<b>Active weight %</b>
Wesfarmers Limited	0.47	2.61	-2.13
Macquarie Group, Ltd.	1.08	2.92	-1.83
Woolworths Group Ltd	0.38	2.11	-1.73
Goodman Group	0.00	1.47	-1.47
Newcrest Mining Limited	0.00	1.10	-1.10

<b>10 largest holdings</b>			
<b>Security</b>	<b>Fund %</b>	<b>Benchmark %</b>	<b>Active weight %</b>
BHP Group Ltd	12.57	10.93	1.64
CSL Limited	7.04	6.35	0.69
Commonwealth Bank of Australia	6.84	7.59	-0.75
Westpac Banking Corporation	4.96	3.47	1.48
National Australia Bank Limited	3.64	3.98	-0.34
Woodside Energy Group Ltd	3.41	2.89	0.52
ANZ Group Holdings Limited	3.29	3.15	0.14
Rio Tinto Limited	2.83	2.04	0.79
Fortescue Metals Group Ltd	2.56	1.74	0.82
Qantas Airways Limited	2.55	0.55	2.00

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.

## Monthly commentary

---

### Performance commentary

Australian equities eked out a small positive return in March, led by Gold stocks. The RBA raised its overnight cash rate target by 25 basis points to 3.6%, the tenth consecutive meeting with a rate rise announcement. Some bank failures in the US forced the Federal Reserve to introduce additional liquidity measures to support confidence and minimise the risk of contagion. Real Estate was the worst-performing sector as US banking issues and tight credit amplified existing concerns regarding Commercial Real Estate (CRE). Value outperformed Growth, largely due to strong returns for Resources, while Quality outperformed both as investors sought out lower risk equities in response to US banking concerns.

In March, Momentum and Value had no significant impact on performance, whereas Quality had a positive contribution to active returns over the month. Stock specific effects, which are not attributable to any other factor, had a negative impact on active returns.

Impact from active sector weights, which are a by-product of the multi-factor optimisation process, was negative over the month. Here, our underweight in Real Estate assisted, while the underweights in Gold and Health Care detracted.

---

### Model commentary

Over March, the Australian multi-factor model posted positive results with all factors contributing. Momentum performed the best with Price Momentum leading over Earnings Momentum, followed by Quality and then Value.

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

---

### 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 Rio Tinto Ltd. based on an overall increase in Momentum and Value factor scores and Yancoal Australia Ltd. based on its positive Quality and Value score. On the other hand, we reduced our position in Computershare Ltd. due to a decrease in Quality and Value scores and Treasury Wine Estates due its negative Value score.

---

### Risk management

The ex-ante tracking error of the fund was at 2.94% at month-end. Attributing by sources of active risk, the majority, 70% 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 13% to active risk. Industry risk contribution, a by-product of stock selection, represented additional 17%. The portfolio beta with respect to S&P/ASX 300 was estimated 1.0 at month-end.

---

**Contact**

Tel: 1800 813 500  
Email: [clientservices.au@invesco.com](mailto:clientservices.au@invesco.com)  
Website: [www.invesco.com/au](http://www.invesco.com/au)

---

**Notes**

<sup>1</sup>The 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](http://lonsec.com.au) for ratings information and to access the full report. © 2022 Lonsec. All rights reserved.

<sup>2</sup>The Zenith Investment Partners (ABN 27 103 132 672, AFS Licence 226872) (“Zenith”) rating (assigned CNA0811AU - June 2022) referred to in this piece is limited to “General Advice” (s766B Corporations Act 2001) for Wholesale clients only. This advice has been prepared without taking into account the objectives, financial situation or needs of any individual, including target markets of financial products, where applicable, and is subject to change at any time without prior notice. It is not a specific recommendation to purchase, sell or hold the relevant product(s). Investors should seek independent financial advice before making an investment decision and should consider the appropriateness of this advice in light of their own objectives, financial situation and needs. Investors should obtain a copy of, and consider the PDS or offer document before making any decision and refer to the full Zenith Product Assessment available on the Zenith website. Past performance is not an indication of future performance. Zenith usually charges the product issuer, fund manager or related party to conduct Product Assessments. Full details regarding Zenith’s methodology, ratings definitions and regulatory compliance are available on our Product Assessments and at [Fund Research Regulatory Guidelines](#)

<sup>3</sup>Invesco does not guarantee that the Fund will achieve its objective.

<sup>4</sup>The 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**

This document has been prepared by Invesco Australia Ltd (Invesco) ABN 48 001 693 232, Australian Financial Services Licence number 239916, who can be contacted on freecall 1800 813 500, by email to [clientservices.au@invesco.com](mailto:clientservices.au@invesco.com), or by writing to GPO Box 231, Melbourne, Victoria, 3001. You can also visit our website at [www.invesco.com/au](http://www.invesco.com/au).

This document contains general information only and does not take into account your individual objectives, taxation position, financial situation or needs. You should assess whether the information is appropriate for you and consider obtaining independent taxation, legal, financial or other professional advice before making an investment decision. A Product Disclosure Statement (PDS) and Target Market Determination for any Invesco fund referred to in this document is available from Invesco. You should read the PDS and consider whether a fund is appropriate for you before making a decision to invest.

Invesco is authorised under its licence to provide financial product advice, deal in financial products and operate registered managed investment schemes. If you invest in an Invesco Fund, Invesco may receive fees in relation to that investment. Details are in the PDS. Invesco’s employees and directors do not receive commissions but are remunerated on a salary basis. Neither Invesco nor any related corporation has any relationship with other product issuers that could influence us in providing the information contained in this document.

Investments in the Invesco funds are subject to investment risks including possible delays in repayment and loss of income and principal invested. Neither Invesco nor any other member of the Invesco Ltd Group guarantee the return of capital, distribution of income, or the performance of any of the Funds. Any investments in the Funds do not represent deposits in, or other liabilities of, any other member of the Invesco Ltd Group.

Invesco has taken all due care in the preparation of this document. To the maximum extent permitted by law, Invesco, its related bodies corporate, directors or employees are not liable and take no responsibility for the accuracy or completeness of this document and disclaim all liability for any loss or damage of any kind (whether foreseeable or not) that may arise from any person acting on any statements contained in this document.

This document has been prepared only for those persons to whom Invesco has provided it. It should not be relied upon by anyone else.

© Copyright of this document is owned by Invesco. You may only reproduce, circulate and use this document (or any part of it) with the consent of Invesco.