

Invesco Wholesale Australian Share Fund - Class A

Monthly factsheet

30 April 2023

Fund Managers - Invesco Australian Equities Team

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Fund performance analysis (periods to 30 April 2023)

Net performance

Periods	Fund %	Benchmark %	Value added %
1 month	1.46	1.85	-0.39
3 months	-2.34	-0.98	-1.36
6 months	6.66	8.38	-1.72
1 year	-0.10	2.13	-2.23
2 years p.a.	4.79	6.07	-1.28
3 years p.a.	13.28	13.97	-0.69
5 years p.a.	7.64	8.23	-0.59
7 years p.a.	9.71	9.14	0.57
10 years p.a.	8.70	7.87	0.83
Calendar year to date	2.85	5.24	-2.39
Financial year to date	13.54	15.37	-1.83
Since inception p.a.	9.53	9.36	0.17

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	-2.34	-2.34
6 months	1.84	4.82	6.66
1 year	4.68	-4.78	-0.10
2 years p.a.	3.71	1.08	4.79
3 years p.a.	3.62	9.66	13.28
5 years p.a.	3.24	4.40	7.64
7 years p.a.	3.35	6.36	9.71
10 years p.a.	3.47	5.23	8.70

Net risk profile

Periods	Tracking error %	Information Ratio
1 year	1.88	-1.18
2 years p.a.	2.58	-0.50
3 years p.a.	2.36	-0.29
5 years p.a.	2.57	-0.23
7 years p.a.	2.76	0.20
10 years p.a.	2.65	0.31
Since inception p.a.	2.61	0.06

Fund analysis (as at 30 April 2023)

Assets under management

	A\$m
Fund AUM:	290.51
Strategy AUM:	290.51

Fund ratings



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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 CNA0811AU

Sector allocation			
Sector	Fund %	Benchmark %	Active weight %
Communication Services	3.39	4.08	-0.69
Consumer Discretionary	7.95	6.79	1.16
Consumer Staples	3.10	4.91	-1.82
Energy	7.30	5.51	1.79
Financials Ex Lpt	28.48	27.22	1.26
Health Care	8.54	10.29	-1.74
Industrials	9.10	7.10	2.00
Information Technology	1.11	2.30	-1.18
Materials Ex Metals and Mining	0.98	2.29	-1.31
Metals and Mining	22.29	21.93	0.36
Real Estate	3.65	6.17	-2.51
Utilities	0.70	1.42	-0.72
[Other]	3.59	0.00	3.59
Cash [net of payables]	-0.19	0.00	-0.19

Five largest overweight positions			
Security	Fund %	Benchmark %	Active weight %
Brambles Limited	2.90	0.89	2.01
JB Hi-Fi Limited	2.20	0.22	1.98
Qantas Airways Limited	2.42	0.54	1.88
Vicinity Centres	2.24	0.37	1.88
Helia Group Limited	1.81	0.04	1.77

Five largest underweight positions			
Security	Fund %	Benchmark %	Active weight %
Wesfarmers Limited	0.62	2.66	-2.03
Macquarie Group, Ltd.	1.01	2.99	-1.98
Woolworths Group Ltd	0.40	2.13	-1.73
Goodman Group	0.00	1.49	-1.49
Commonwealth Bank of Australia	6.36	7.56	-1.20

10 largest holdings			
Security	Fund %	Benchmark %	Active weight %
BHP Group Ltd	11.66	10.13	1.53
CSL Limited	7.35	6.53	0.81
Commonwealth Bank of Australia	6.36	7.56	-1.20
Westpac Banking Corporation	5.14	3.55	1.59
ANZ Group Holdings Limited	3.98	3.30	0.68
National Australia Bank Limited	3.52	4.08	-0.56
Woodside Energy Group Ltd	3.41	2.88	0.53
Rio Tinto Limited	3.24	1.88	1.36
Telstra Group Limited	3.00	2.28	0.73
Brambles Limited	2.90	0.89	2.01

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.

Market review

The Australian equity market had a positive month in April, supported by the upgraded growth outlook in Europe. Nearly every sector in the ASX 200 was in the green for the month, with technology and industrials leading the gains, and materials being the only sector in the red. The March quarter inflation figures for Australia showed a headline rate of 7.0% and a core rate of 6.6%, with services inflation still being strong. March's labour market data was better than expected, however there are indications that future job gains may be harder to achieve. With the mixed economic sentiments, the Reserve Bank of Australia (RBA) paused on rate hikes in April, but it is uncertain whether the hiking cycle is over.

In April, Momentum and Quality had a slightly positive impact on performance, whereas Value contributed negatively 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 marginal overweight in the Materials sector had a negative impact on returns.

Contributors to performance

Over April, the Australian multi-factor model posted negative results. Momentum performed better than Quality and Value with price momentum outperforming earnings momentum. Besides that, our defensive factors, such as low risk, outperformed on a risk-adjusted basis.

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

Risk management

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 an overall attractive factor profile and Fortescue Metals Group based on its positive Momentum and Value scores. On the other hand, we reduced our position in Westpac Banking and Commonwealth Bank of Australia due to a decrease in Momentum scores.

The ex-ante tracking error of the fund was at 2.86% at month-end. Attributing by sources of active risk, the majority, 72% 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 12% to active risk. Industry risk contribution, a by-product of stock selection, represented additional 16%. The portfolio beta with respect to S&P/ASX 300 was estimated 0.97 at month-end.

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Notes

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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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