

# Fund Summary

OnePath Alternatives Growth Trust

OneAnswer Frontier Investment Portfolio

31 March 2021

## Fund details

|                           |                                   |
|---------------------------|-----------------------------------|
| <b>Investment manager</b> | OnePath Funds Management          |
| <b>Fund code</b>          | MMF1471AU                         |
| <b>Asset type</b>         | Hedge Funds / Trading Strategies  |
| <b>Region</b>             | Global                            |
| <b>Fund size</b>          | \$60.73 million as at 31 Mar 2021 |
| <b>Commencement date</b>  | 28 Sep 2010                       |
| <b>Distributions</b>      | Quarterly                         |

## Investment objective

The fund aims to produce a portfolio that seeks to outperform the Bloomberg AusBond Bank Bill Index.

## Investment strategy

The fund is a multi-manager solution that seeks to provide returns with low correlation to equity markets by investing in a portfolio of alternative investment strategies. The multi-manager portfolio is designed to deliver more consistent, and diversified sources of returns than would be achieved if investing with a single-manager.

## Minimum time horizon

5 years

## Standard Risk Measure\*

The Standard Risk Measure (SRM) is based on industry guidance to allow investors to compare funds that are expected to deliver a similar number of negative annual returns over any 20 year period. The SRM for this fund is shown below:



## Asset allocation



■ Other (100.00%)

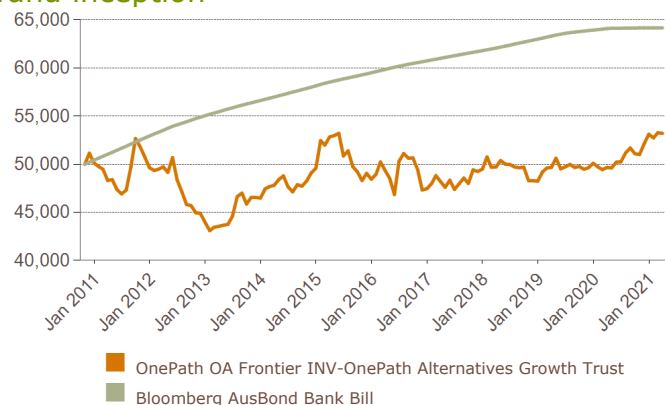
## Fund performance

As at 31 Mar 2021

|                         | 1 mth % | 3 mth % | 1 yr % | 3 yr % pa | 5 yr % pa | 7 yr % pa | 10 yr % pa |
|-------------------------|---------|---------|--------|-----------|-----------|-----------|------------|
| <b>Total Return †</b>   | -0.09   | 0.18    | 6.89   | 2.22      | 1.47      | 1.51      | 0.95       |
| <b>Benchmark ‡</b>      | 0.00    | 0.00    | 0.11   | 1.12      | 1.40      | 1.71      | 2.31       |
| <b>Excess Return</b>    | -0.09   | 0.18    | 6.78   | 1.10      | 0.07      | -0.20     | -1.36      |
| <b>Distribution</b>     | 0.55    | 0.56    | 2.71   | 2.67      | 2.15      | 2.80      | 2.51       |
| <b>Growth</b>           | -0.65   | -0.37   | 4.43   | -0.38     | -0.63     | -1.26     | -1.54      |
| <b>Risk (1 Std Dev)</b> | -       | -       | 3.79   | 3.82      | 6.00      | 6.38      | 6.79       |
| <b>Tracking Error</b>   | -       | -       | 3.80   | 3.88      | 6.03      | 6.39      | 6.81       |
| <b>Info. Ratio</b>      | -       | -       | 1.9    | 0.3       | 0.0       | 0.0       | -0.2       |

| Calendar year returns | YTD  | 2020 | 2019 | 2018  | 2017 |
|-----------------------|------|------|------|-------|------|
| <b>Total Return †</b> | 0.18 | 6.02 | 3.83 | -2.49 | 4.27 |
| <b>Benchmark ‡</b>    | 0.00 | 0.37 | 1.50 | 1.92  | 1.75 |
| <b>Excess Return</b>  | 0.18 | 5.65 | 2.33 | -4.42 | 2.52 |

## Growth of \$50,000 invested since fund inception



\* For further information on Standard Risk Measures and the calculation methodology used, go to [onepath.com.au/personal/performance/product-updates.aspx](http://onepath.com.au/personal/performance/product-updates.aspx)

† Returns quoted use the unit price which is calculated using the net asset values for the relevant month end. The prices shown may differ from the actual unit price if an investor is applying for or redeeming an investment. Actual unit prices will be confirmed following any transaction on an investor's investment. Please note that all returns are after the deduction of management fees and expenses and assumes all distributions are re-invested. Where applicable, management fees have been deducted at the highest entry fee option rate. No allowance has been made for entry or exit fees.

‡ Benchmark returns should be used for indicative purposes only. These returns may not be a true indication of this Fund's performance against its investment objective.

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#### Market and portfolio review

The Fund posted a positive net of fees return of 0.2% (Frontier Class) for the quarter, and 6.9% for the trailing 12 months. The GMO systematic global macro allocation was down -4.9% for the quarter (down -0.6% TTM1). The portfolio delivered a negative return over the period, with bonds and currency positioning having the greatest impact on performance. Fulcrum idiosyncratic multi-strategy allocation was up 3.6% for the quarter (up 8.2% TTM1). In terms of performance drivers, Directional made +1.2%, Relative Value strategies contributed +2.5% while Diversifying strategies added another +0.2% and hedging detracted -0.2%. The Bentham leveraged loans allocation was up 2.0% for the quarter (up 20.7% TTM1). The Loan market continued to rally during the quarter in line with other risk assets. Overall, loan spreads (discount margin to maturity) for the Credit Suisse Loan index closed the quarter tighter. The ManAHL trend-following allocation was up 2.3% during the quarter (up 4.7% TTM1). The Fund saw gains in commodities and stocks, which were slightly offset by losses in FX. Copper was the largest contributor to the commodities sleeve, while natural gas and silver both slightly detracted.

#### Future investment strategy

Since the market lows experienced in March 2020 following the 'COVID-19' related panic and subsequent sell-off, risk assets have had a remarkable rebound during the subsequent 12 months, with global equities up almost 50% in AUD hedged terms. While the OPAG Fund offered 'crisis alpha' during calendar 2020 as risk assets were sold off in haste in Q1, the Fund's structurally modest equity beta meant that it was unable to ride the equities rebound when compared to the broader HFRI hedge fund index, which has a significantly higher equity beta. The Fund has, however, performed well over the past year, outperforming its cash + 4% objective at a low level of volatility (approximately 3.8% compared with 15%+ for global equities), with the macro and trend-following hedge fund strategies with low to negative beta being well positioned to capture dynamic and shifting trends, and opportunistically take advantage of mis-pricings and dislocations across the asset spectrum.

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