

# Fund Summary

OnePath Alternatives Growth Trust

OneAnswer Frontier Investment Portfolio

31 July 2022

## Fund details

Investment manager	OnePath Funds Management
Fund code	MMF1471AU
Asset type	Hedge Funds / Trading Strategies
Region	Global
Fund size	\$58.65 million as at 29 Jul 2022
Commencement date	28 Sep 2010
Distributions	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



Cash (43.43%)
Other (41.00%)
International Fixed Interest (15.57%)

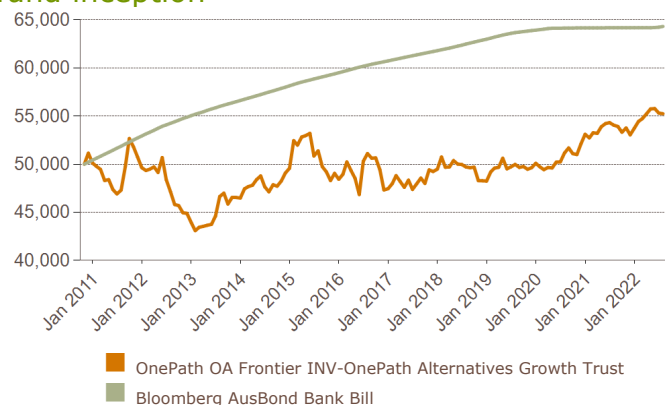
## Fund performance

As at 31 Jul 2022

	1 mth %	3 mth %	1 yr %	3 yr % pa	5 yr % pa	7 yr % pa	10 yr % pa
Total Return †	-0.12	-0.89	2.20	3.31	2.82	1.00	1.57
Benchmark ‡	0.12	0.21	0.22	0.33	0.94	1.25	1.72
Excess Return	-0.25	-1.10	1.98	2.98	1.88	-0.25	-0.15
Distribution	0.00	0.99	1.67	2.93	2.72	2.32	3.08
Growth	-0.13	-1.88	0.53	0.46	0.14	-1.29	-1.49
Risk (1 Std Dev)	-	-	3.22	3.18	3.92	5.64	5.94
Tracking Error	-	-	3.26	3.22	3.95	5.68	5.97
Info. Ratio	-	-	0.6	1.0	0.5	0.0	0.0

Calendar year returns	YTD	2021	2020	2019	2018
Total Return †	2.79	1.19	6.02	3.83	-2.49
Benchmark ‡	0.21	0.03	0.37	1.50	1.92
Excess Return	2.58	1.17	5.65	2.33	-4.42

## 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

##### Underlying Fund Commentaries

**GMO Systematic Global Macro Trust** – The Fund was down for the quarter. Over a turbulent period, gains were still made in equities, bonds and commodities but were outweighed by losses in currencies.

**Fulcrum Diversified Absolute Return Fund** – The Fund was down for the quarter, with broad based gains from Relative Value Strategies and Diversifying Strategies not enough to offset losses from Directional strategies. Relative Value strategies gave back some of their very strong year-to-date gains, with positioning within currencies, commodities, and fixed income more than offsetting gains made elsewhere.

**ManAHL Alpha (AUD) Fund** – The Fund was up for the quarter, with gains across most asset classes, including fixed income, energies, currencies, and credit. Small losses were experienced in metals, agriculturals and stocks.

**Bentham Syndicated Loan Fund** – The Fund was down for the quarter, with repricing of Loan assets over the quarter being a key driver of performance. The Loan market had a negative return during the quarter, consistent with most risk markets, albeit more muted than the high yield bond market.

**Janus Henderson Global Multi-Strategy Fund** – The Fund was down for the quarter, with Price Pressure and Protection the most negative contributors. Event Driven was also a small drag on returns, with Convertible Arbitrage broadly flat, while Risk Transfer and Equity Market Neutral added positive value.

**Metrics Wholesale Investments Trust** – The Fund was up for the quarter. Underpinned by an active M&A pipeline, the Australian corporate loan market saw issuance volume up 30% on last year, and with Australian corporates continuing to seek the vast majority of their debt financing from the loan market, the manager has been able to deploy the Fund's capital into a diversified set of new loans, making 32 new investments through the quarter (total 269 exposures at the end of June).

#### Future investment strategy

While the first quarter of 2022 established new records for weakness in major asset classes, the second quarter of 2022 only made matters worse. With June concluding some of the worst first half returns in decades for US equities, US 10-year Treasuries and US high yield, traditional portfolios failed to provide investors with any meaningful diversification, as both equities and bonds continued to drift lower together.

The OPAG Fund was however able to post a positive, albeit modest return over the quarter (+0.2%), and the first half of calendar 2022 (+2.9%) against this backdrop of sell offs in traditional asset markets and deteriorating economic conditions. This has further highlighted the diversification benefits the Fund can bring traditional multi-asset portfolios, with its low volatility profile and low beta and correlations to both equities and bonds.

With the introduction of the Janus Henderson and Metrics investments during FY22, we do not envisage any significant portfolio changes in the short term. However, we will continue to monitor the portfolio, its underlying investments and potential new additions, to ensure OPAG continues to remain positioned to deliver to its objectives over the medium to long term.

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This information is current as at 31 Jul 2022 with the commentary current for the most recent quarter end (eg. March, June, Sept or Dec) however in some cases may be applicable for the preceding month or quarter end. Updated information will be available free of charge by contact Client Services on 133 665. The information is of a general nature and does not take into account your personal needs, financial circumstances or objectives. Before acting on this information, you should consider the appropriateness of the information, having regard to your needs, financial circumstances and objectives. Past performance is not indicative of future performance. The future value of investments may rise and fall with changes in the market. You should read the relevant PDS available at [onepath.com.au](http://onepath.com.au) and consider whether that particular product is right for you before making a decision to acquire or continue to hold the product.