

Realindex Australian Share Value-Class A



Monthly Factsheet

30 November 2022

For Adviser use only

Portfolio Description

The portfolio invests in Australian shares by selecting and weighting companies based on fundamental measures of company size.

Investment Strategy

Realindex forms a universe of Australian companies based on accounting measures. Factors such as quality, near-term value and momentum are applied to form a final portfolio of companies. The resulting portfolio has a value tilt relative to the benchmark and provides the benefits of being lower in cost, lower turnover and highly diversified compared to traditional active investment strategies.

Investment Objective

To provide capital and income growth by investing in Australian shares and outperforming the S&P/ASX 200 Accumulation Index over rolling five year periods before fees and taxes.

Product Overview

APIR code	FSF0976AU
Inception date	17 November 2008
Fund Size (AS)	1,095 million
Benchmark	S&P/ASX 200 Accumulation Index
Number of stock holdings	148
Buy / Sell spread	0.05% / 0.05%
Minimum investment (AS)	25,000
Management fees and costs (p.a.)*	0.36%

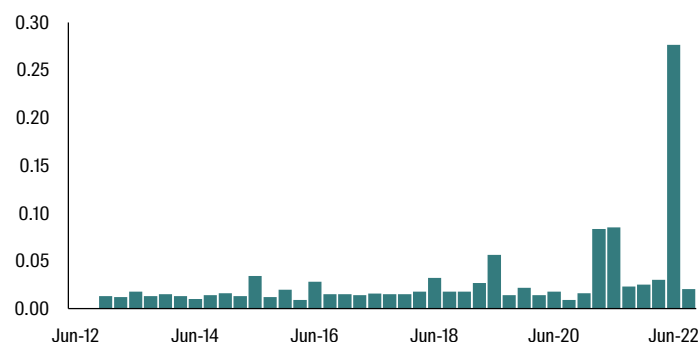
*Information on Management fees and costs (including estimated indirect costs) is set out in the Fund's PDS.

Performance Summary (%)

Period	1mth	3mth	1yr	3yr	5yr	7yr	10yr	SI
Net return	7.2	7.2	12.2	7.8	8.9	10.4	9.8	10.3
Benchmark return	6.6	6.0	5.0	5.9	8.2	9.4	9.4	9.6
Excess net return	0.6	1.1	7.2	1.9	0.7	1.0	0.5	0.7
Income return	0.0	2.3	29.6	17.1	13.7	11.7	9.8	8.3
Growth return	7.2	4.9	-17.3	-9.4	-4.8	-1.3	0.0	2.0

Note: Net return is the return after management fee

Distributions



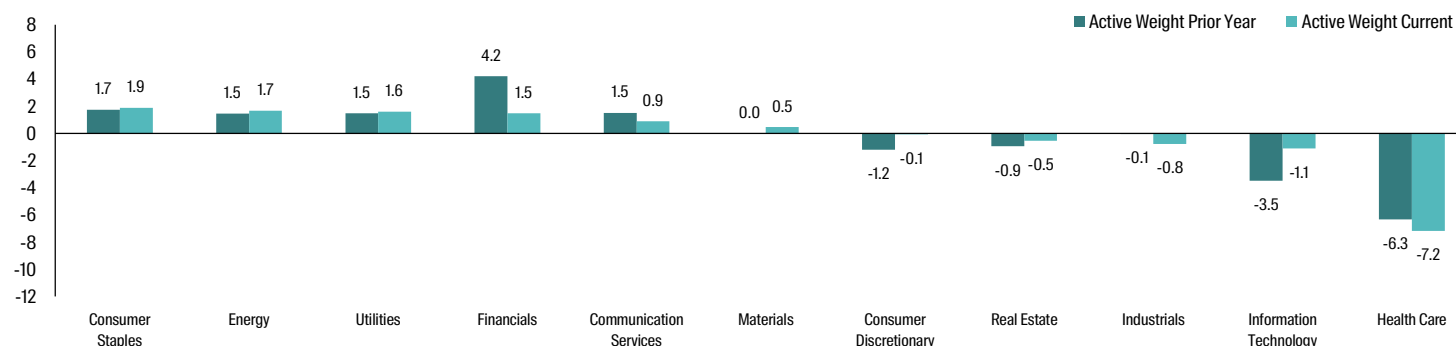
Top 10 Holdings

Stock	Fund Weight	Benchmark Weight	Active Weight
BHP Group	11.95	10.68	1.27
Commonwealth Bank	7.14	8.53	-1.39
National Australia Bank	5.48	4.64	0.84
Westpac Bank	4.94	3.86	1.08
ANZ Bank	4.30	3.43	0.87
Woodside Petroleum	3.41	3.28	0.13
Telstra	3.38	2.13	1.25
Fortescue Metals	3.17	1.52	1.65
Woolworths	2.68	1.94	0.74
Origin Energy	1.94	0.63	1.31

Risk Characteristics

Period	1yr	3yr	5yr	7yr	10yr	SI
Fund standard deviation (%)	17.3	19.8	16.3	14.7	14.2	14.2
Benchmark standard deviation (%)	18.3	19.3	16.0	14.5	13.9	13.8
Tracking error (%)	3.2	3.2	2.7	2.6	2.4	2.4
Fund Sharpe ratio	0.6	0.4	0.5	0.6	0.6	0.5
Information ratio	2.3	0.6	0.3	0.4	0.2	0.3
Beta	0.9	1.0	1.0	1.0	1.0	1.0
Cashflow adjusted turnover (%)	32.5	20.7	18.0	16.7	15.7	

Fund Active Sector Positions (%)



Top 5 Attributors To Performance (1 Month)

Stock	Value added
Origin Energy	0.35%
Fortescue Metals	0.35%
BHP Group	0.19%
Pilbara Minerals	0.10%
Santos	0.10%

Top 5 Detractors From Performance (1 Month)

Stock	Value detracted
Telstra	-0.13%
Elders	-0.08%
Viva Energy Group	-0.08%
National Australia Bank	-0.07%
ANZ Bank	-0.07%

Realindex Australian Share Value returned +7.23% (net of fees) during November, outperforming the S&P/ASX 200 benchmark which returned +6.58%.

Value stocks underperformed Growth stocks by 2.2% over the month (S&P Australia BMI Value +4.6% vs. Growth +6.8%). Over the past year, Value has beaten Growth with Value outperforming by 14.2%, but lagged on a five-year basis by 0.6% p.a. providing a longer-term performance headwind.

The Australian share market continued to rally in November resulting in a 6.0% increase over a 3 month horizon. Inflation has shown signs of easing, with the Australian Bureau of Statistics showing a slowdown in CPI from 7.3% to 6.9% in the twelve months to October. Housing, food and transport exhibited the greatest price movements. This was also reflected globally, with inflation stabilizing in the US and Eurozone. During the month, all sectors posted positive performance; we saw strong performance in Utilities (+20.9%) and Materials (+16.3%) and weaker performance in Communication Services (+2.1%).

From a sector perspective, the largest contributor by far was the overweight to Materials and the largest detractor was the overweight to Consumer Staples. Specifically, stock selection within Metals and Mining contributed positively to the fund's performance by 0.54%. The largest stock level contributor was the overweight to Origin Energy Limited, which contributed 0.35%, and the largest stock level detractor was the overweight to Elders Limited.

The portfolio offers a valuation discount to the market-cap benchmark, as measured by price-to-sales (33.6% discount), price-to-cashflow (25.7% discount), and price-to-book (16.0% discount), as well as a dividend yield higher than the benchmark (21.3% premium).

Note: Percentage figures in parenthesis show total return in Australian dollars for the month ending 30 November 2022 unless otherwise noted.

Performance returns are calculated net of management fees and transaction costs. Performance returns for periods greater than one year are annualised. Past performance is not a reliable indicator of future performance.

Data source: First Sentier Investors 2022

Data as at: 30 November 2022

Portfolio Beta measures the portfolio's sensitivity to benchmark movements. Mathematically, it is the covariance of the portfolio vs the benchmark divided by the variance of the benchmark.

Turnover is the average of sales and purchases divided by the average portfolio size. **Cashflow Adjusted Turnover** is the same as above, except that the lesser of sales and purchases is used in place of the average of the two. This is to adjust for turnover that is related to investing inflows or selling stocks to meet outflows rather than related to active management of the portfolio.

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