

# Martin Currie Tactical Allocation Fund

SEP 2023 | Commentary

## Investment objective

The Fund aims to earn an after-fee return in excess of the Benchmark over rolling five-year periods. The Benchmark is a composite of 50% the S&P/ASX 200 Accumulation Index and 50% the Bloomberg AusBond Treasury Index.

## Performance (%)

	1 mth	3 mths	1 yr	3 yrs pa	5 yrs pa
<b>Fund (net)</b>	-2.44	-1.19	8.51	1.93	3.49
<b>Benchmark</b>	-2.36	-0.77	6.92	3.11	3.71

## Calendar year performance (%)

	2022	2021	2020	2019	2018
<b>Fund (net)</b>	-2.97	1.29	10.47	13.20	-1.62
<b>Benchmark</b>	-5.40	6.67	3.85	15.47	1.19

## Fund details

Inception date	September 1998
Benchmark	50% S&P/ASX 200 Accumulation Index 50% Bloomberg AusBond Treasury Index
ISIN	AU60SSB01304
APIR	SSB0130AU

## Monthly review

### What happened in the market?

The Australian equity market fell -2.8% in September (as measured by the S&P/ASX 200 Accumulation Index).

Energy was the only sector to rise, as production cuts in Saudi Arabia and Russia's war in Ukraine continue to drive up oil prices. Commodity prices were mixed over September, with resilient iron ore prices helping metals & mining to be the next best performing sector. The Australian Government 10-year bond yield rose sharply on elevated oil prices and expectations of higher for longer global rates to combat persistent inflation, which pressured real estate causing the sector to be the worst performer.

Australian Value-style strategies outperformed Growth over the month.

The Bloomberg Ausbond Composite Index was down 1.53% during the month of September.

### What happened in the Fund?

The Fund was down 2.44% during September, in comparison the benchmark was down 2.36% over the same period. From a positioning perspective at the end of September, Australian Fixed Income is the largest allocation within the Fund (52%), with the balance split across Australian Equities (47%) and Cash (1%).

## Highlights

- The Fund invests in a diversified portfolio of listed Australian companies, fixed income securities and cash designed to take advantage of relative asset class mispricing.
- A professionally managed active portfolio, combining fundamental research and quantitative analysis.
- The Fund is designed to provide investors with a tactical asset allocation overlay for a well-diversified investment portfolio.

## About us

### Franklin Templeton

Franklin Resources, Inc., is a global investment management organisation, operating as Franklin Templeton, which is headquartered in California. Franklin Resources, Inc., provides, through its subsidiaries, deep investment expertise across all asset classes - including equity, fixed income, and multi-asset options. Franklin Resources, Inc. is listed on the New York Stock Exchange and has employees in over 34 countries.

### Martin Currie

Martin Currie Australia (MCA) (a division of Franklin Templeton Australia) is a leading provider of active equity investment strategies in Australia. Based in Melbourne and led by CIO Reece Birtles, MCA's experienced team of specialist investment analysts use their proprietary, bottom-up fundamental research and a consistent investment philosophy and process to generate the best ideas for their extensive range of tailored investment options. Stewardship is a critical element of their investment philosophy, and MCA's "Active Ownership" approach, which includes a highly differentiated approach to Environmental, Social and Governance (ESG) analysis, integration, engagement and voting, is embedded in every part of the investment process to ensure they make better long-term decisions.

## Meet the team

Martin Currie's investment process draws on a wide range of proprietary fundamental and quantitative research metrics. The Fund benefits from the close collaboration of the well-resourced and experienced team that includes Mathew Davison & Sam Li.



**Mathew Davison**  
Portfolio Manager  
With firm since 2014



**Sam Li, PhD**  
Portfolio Manager  
With firm since 2021

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