

ADVANCE BALANCED MULTI-BLEND FUND

As at 30 June 2022

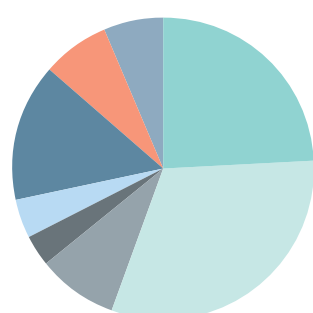
FUND OVERVIEW

	Wholesale	Retail
Inception date	May 1998	April 1992
APIR code	ADV0050AU	ADV0023AU
Fund size (AUD millions)	\$1,632.86	
Investment objective	To provide moderate to high total returns (before fees and taxes) over the medium term from a combination of capital growth and income through a diversified mix of growth and defensive assets.	
Recommended investment timeframe	5 years	
Minimum initial investment	\$5,000	Closed to new investors
Distribution frequency	Quarterly	
Management costs (%) pa ¹	0.73	1.39
Buy/sell spread (%)	0.17 / 0.17	0.00 / 0.00

PERFORMANCE REVIEW²

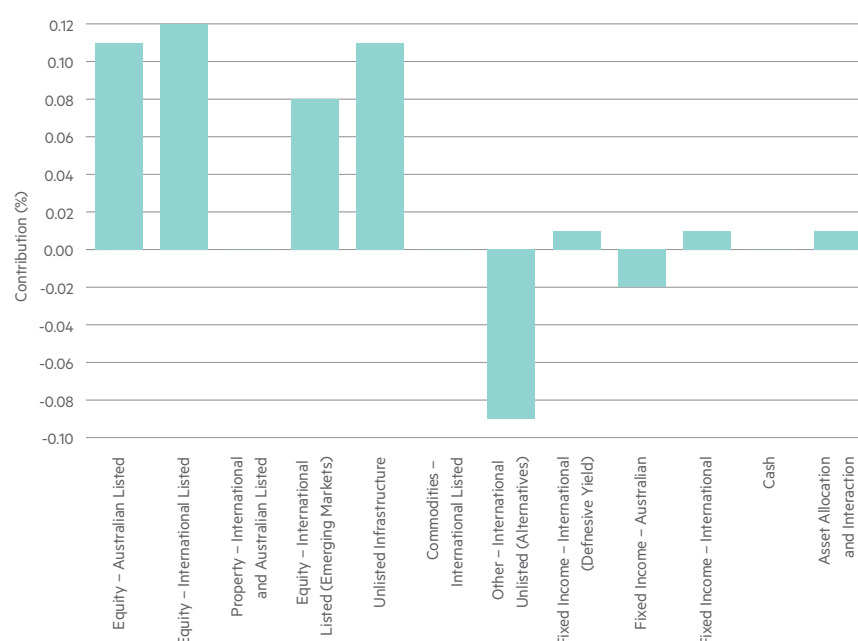
	1 month %	3 months %	1 year %	3 years % pa	5 years % pa	Since Inception % pa
Total Net return	(4.80)	(8.20)	(8.39)	2.97	5.22	5.87
Growth return	(12.76)	(15.88)	(16.68)	(5.26)	(2.35)	(1.74)
Distribution return	7.96	7.67	8.29	8.23	7.57	7.61

ACTUAL ASSET ALLOCATION³



Equity – Australian Listed	24.34%
Equity – International Listed (incl. Emerging Markets)	31.34%
Property – International and Australian Listed	8.59%
Unlisted Infrastructure	3.29%
Fixed Income – Australian	4.21%
Fixed Income – International	14.68%
Other – Defensive and Growth Alternatives	7.19%
Cash	6.36%

CONTRIBUTION TO EXCESS RETURN⁴



FUND UPDATE

The Advance Balanced Multi-Blend Fund produced a negative return over the month of June.

In response to the higher-than-expected increase in the Consumer Price Index for June, the US Federal Reserve delivered a 75 basis-point rate hike, the biggest increase since 1994, lifting the target range for the federal funds rate to between 1.5% and 1.75%. The Reserve Bank of Australia has also lifted the cash rate by 50 basis points to 0.85% in June.

Risk sentiment remained negative as a result of monetary tightening and a weaker growth outlook. The domestic equity market, as represented by the S&P/ASX 300 Accumulation Index, returned -9.0% over the month. International Equities, as measured by the MSCI World ex Australia Net Return AUD Hedged Index, returned -8.1%. Unhedged international equities returned -4.6%, as the Australian Dollar depreciated against the stronger US Dollar. Unhedged Emerging Market equities, as represented by the MSCI Emerging Markets Net Total Return AUD Index, returned -2.6% over the month.

Listed property valuations were under pressure due to rising interest rates. Domestic listed property, as measured by the S&P/ASX 300 A-REIT Index, returned -10.4% and global listed property as measured by the FTSE EPRA/NAREIT Developed AUD Hedged Net Total Return Index, returned -7.8% over the month.

Global yield curves shifted higher as a result of higher cash rate targets. The Australian 10-year government bond yield moved 31bps higher to 3.66%, the domestic fixed interest market, as represented by the Bloomberg Ausbond Composite 0+ Yr Index, returned -1.5%. The US 10-year Treasury yield moved 17bps higher to 3.02% over the month, the International Fixed Interest as measured by the Bloomberg Barclays Global-Aggregate Total Return AUD Hedged Index, returned -1.6%.

Funds with allocations to both growth and defensive assets had negative results over the month.

ASSET ALLOCATION RANGES

Asset class	Investment managers	SAA Ranges %
Equity – Australian Listed	BlackRock; FIL Limited; First Sentier Investors Realindex; Yarra Capital; Pental; Platypus; Solaris; Vinva	6 – 46
Equity – International Listed	Ardevora; BlackRock; First Sentier Investors Realindex; Pental; River & Mercantile; T.Rowe Price; Wellington	14 – 54
Property – Australian and International Listed	BlackRock; Heitman; Principal	0 – 22
Unlisted Infrastructure	First Sentier Investors; Roc Capital; JPM	0 – 18
Fixed Income – Australian	Macquarie; Janus Henderson; Pental	0 – 26
Fixed Income – International	Angelo, Gordon & Co.; ICG; Kapstream; Mellon; PIMCO; Sound Point; TCW; TwentyFour; Wellington; Western Asset	0 – 34
Other – Defensive and Growth Alternatives	Acadian; Magnetar; PineBridge; SouthPeak	0 – 20
Cash	BlackRock; Pental	0 – 25

- 1 The Management Costs included in this fact sheet are inclusive of the Management Fee and any Performance Fees and includes the effect of GST (net of RITC). They do not include other indirect costs. Refer to the Product Disclosure Statement and online disclosures for further information.
- 2 Past performance is not a reliable indicator of future performance. The Fund performance is net of management costs and relates to the wholesale class of investment only. If you are an investor in the retail class of investment, you can obtain up to date returns at advance.com.au. Growth and Distribution returns may not equal the Total Net return due to rounding.
- 3 Allocations may not equal 100% due to rounding.
- 4 The Contribution to Excess Return is calculated using Gross performance.

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