

ADVANCE DEFENSIVE MULTI-BLEND FUND

As at 30 April 2021

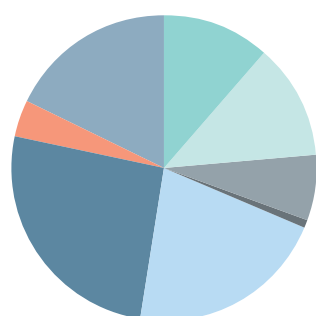
FUND OVERVIEW

	Wholesale	Retail
Inception date	30 September 1998	May 1992
APIR code	ADV0049AU	ADV0022AU
Fund size (AUD millions)	\$501.70	
Investment objective	To provide income with a low risk of capital loss over the short to medium term, with some capital growth over the long term.	
Recommended investment timeframe	3 years	
Minimum initial investment	\$5,000	Closed to new investors
Distribution frequency	Monthly	
Management costs (%) pa ¹	0.60	1.19
Buy/sell spread (%)	0.10/0.15	0.00/0.00

PERFORMANCE REVIEW²

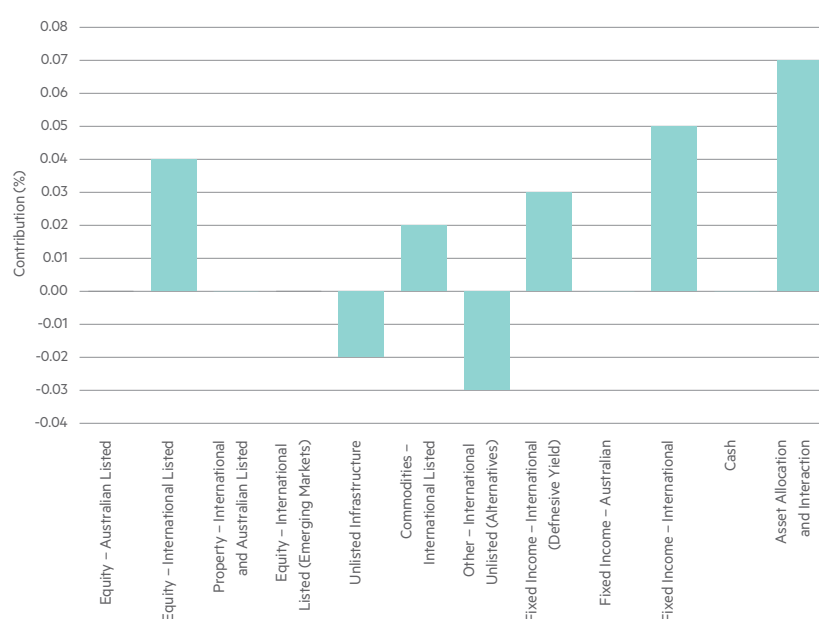
	1 month %	3 months %	1 year %	3 years % pa	5 years % pa	Since Inception % pa
Total Net return	1.43	2.49	10.25	4.94	4.93	5.59
Growth return	1.34	2.04	4.44	0.88	(0.12)	(0.01)
Distribution return	0.09	0.45	5.81	4.05	5.05	5.60

ACTUAL ASSET ALLOCATION³



Equity – Australian Listed	11.63%
Equity – International Listed (Incl. Emerging Markets)	12.10%
Property – International and Australian Listed	6.94%
Unlisted Infrastructure	0.76%
Fixed Income – Australian	21.12%
Fixed Income – International	25.94%
Other – Defensive and Growth Alternatives	3.87%
Cash	17.64%

CONTRIBUTION TO EXCESS RETURN⁴



FUND UPDATE

The Advance Defensive Multi-Blend Fund produced a positive return over the month of April.

Positive investor sentiment over the month of April has driven the price of risk assets higher. Upbeat quarterly earnings announcements, accelerating vaccine rollouts and Biden's US\$2 trillion infrastructure proposal in the US supported risk sentiment.

The domestic equity market, as represented by the S&P/ASX 300 Accumulation Index, gained 3.7% over the month. International Equities, as measured by the MSCI World ex Australia Net Return AUD Hedged Index, gained 4.0%. Unhedged international equity exposure underperformed hedged exposure mostly due to appreciation in Australian Dollar against US Dollar over the month, returning 3.2%. Emerging market equities underperformed developed markets in AUD terms, with the MSCI Emerging Markets Net Total Return Index returning 1.1%.

Listed property also performed strongly with the S&P/ASX 300 A-REIT Index returning 3.1% and the FTSE EPRA/NAREIT Developed AUD Hedged Net Total Return Index returning 5.7% over the month.

Bond yields have plateaued since the beginning of the March quarter. The Australian 10-year government bond yield drifted 4bps lower to 1.75% over the month and the US 10-year Treasury yield moved 11bps lower to 1.63%. Credit spreads were largely flat over the month. As a result, the domestic fixed interest market, as represented by the Bloomberg Ausbond Composite 0+ Yr Index, returned 0.6%; and the International Fixed Interest as measured by the Bloomberg Barclays Global-Aggregate Total Return AUD Hedged Index, returned 0.2%.

Funds with higher allocations to growth assets yielded higher returns to those with a higher allocation to defensive assets, due to stronger returns for growth assets.

ASSET ALLOCATION RANGES

Asset class	Investment managers	SAA Ranges %
Equity – Australian	BlackRock; FIL Limited; First Sentier Investors Realindex; Nikko AM; Pental; Platypus; Solaris; Vinva	0 – 31
Equity – International	AQR; Ardevora; BlackRock; First Sentier Investors Realindex; Pental; River & Mercantile; T.Rowe Price; Wellington	0 – 31
Property – Australian and International Listed	BlackRock; Heitman; Principal	0 – 20
Unlisted Infrastructure	First Sentier Investors; Roco Capital; JPM	0 – 17
Fixed Income – Australian	AMP Capital; Janus Henderson; Pental	2 – 42
Fixed Income – International	Kapstream; Mellon; PIMCO; Wellington; Western Asset; TCW; TwentyFour	7 – 47
Other – Defensive and Growth Alternatives	Angelo, Gordon & Co.; CVC Credit Partners; ICG; PIMCO	0 – 22
Cash	BlackRock; Pental	0 – 34

- 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

Advance Asset Management, GPO Box B87, Perth WA 6838

Customer Relations 1800 819 935 Adviser Services 1300 361 864 Fax (02) 9274 5211

advance.com.au

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Advance is the responsible entity of the Advance Defensive Multi-Blend Fund, ARSN 087 296 491 ('Fund'). A Product Disclosure Statement ('PDS') for Wholesale investors is available for the Fund and can be obtained by calling the Contact Centre on 1800 819 935, or visiting www.advance.com.au. The Retail Fund is closed to new investors. The Financial Services Guide ('FSG') for Advance can be obtained via www.advance.com.au.

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