

# ADVANCE MODERATE MULTI-BLEND FUND

As at 30 September 2021

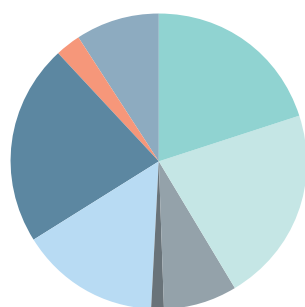
### FUND OVERVIEW

	Wholesale	Retail
Inception date	June 2004	June 2004
APIR code	ADV0091AU	ADV0090AU
Fund size (AUD millions)	\$1,036.00	
Investment objective	To provide relatively stable total returns (before fees and taxes) over the short to medium term, with some capital growth over the long term through a diversified mix of growth and defensive assets.	
Recommended investment timeframe	4 years	
Minimum initial investment	\$5,000	Closed to new investors
Distribution frequency	Quarterly	
Management costs (%) pa <sup>1</sup>	0.64	1.33
Buy/sell spread (%)	0.14 / 0.17	0.00 / 0.00

### PERFORMANCE REVIEW<sup>2</sup>

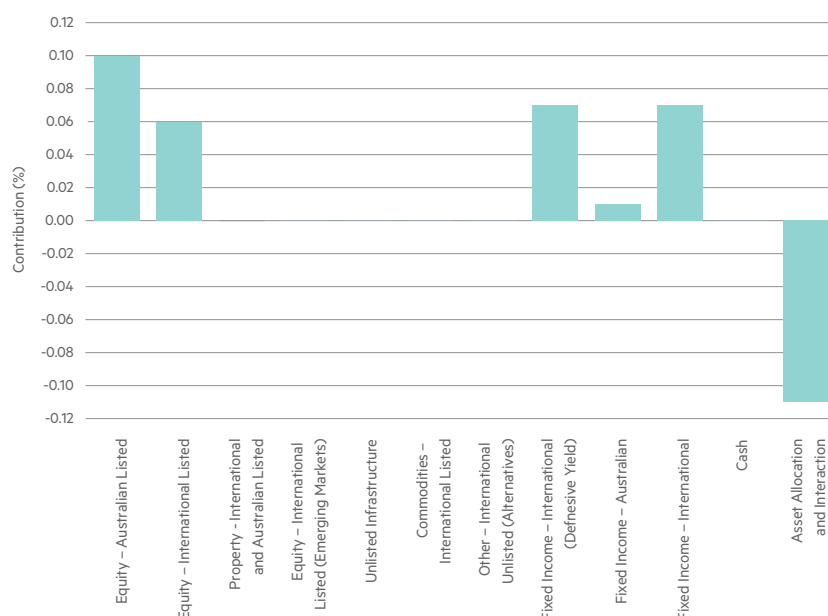
	1 month %	3 months %	1 year %	3 years % pa	5 years % pa	Since Inception % pa
Total Net return	(1.57)	0.69	14.65	6.73	6.90	6.49
Growth return	(2.26)	(0.01)	5.36	0.57	(0.45)	(0.04)
Distribution return	0.69	0.70	9.29	6.16	7.35	6.52

### ACTUAL ASSET ALLOCATION<sup>3</sup>



Equity – Australian Listed	20.01%
Equity – International Listed (incl. Emerging Markets)	21.51%
Property – International and Australian Listed	7.93%
Unlisted Infrastructure	1.64%
Fixed Income – Australian	15.12%
Fixed Income – International	22.05%
Other – Defensive and Growth Alternatives	2.83%
Cash	8.90%

### CONTRIBUTION TO EXCESS RETURN<sup>4</sup>



## FUND UPDATE

The BT Wholesale Multi-manager Moderate Fund produced a negative return over the month of September.

Risk-off sentiment dominated investment markets over the month. Short term inflationary pressure further increased as demand continued to recover and cost pressures from supply chain disruptions continued to unfold. Supply shortages in energy markets further challenged the transitory narrative around the recent level of inflation. Yield curves steepened as markets expected the Federal Reserve to start tapering its current monthly bond purchase program before the end of the year.

The domestic equity market, as represented by the S&P/ASX 300 Accumulation Index, returned -1.9% over the month. International Equities, as measured by the MSCI World ex Australia Net Return AUD Hedged Index, returned -3.8%. Unhedged international equities returned -3.1%, outperforming hedged exposure as the USD strengthened against the backdrop of cautious risk sentiment and ascending real yields. Emerging market equities returned -2.8%, as measured by the MSCI Emerging Markets Net Total Return Index. The fears for contagion risk from the possible collapse of Chinese developer Evergrande contributed to volatility in global equity and commodity prices.

The listed property market also performed poorly due to yield movements. Domestic listed property as measured by the S&P/ASX 300 A-REIT Index returned -1.9%. Global listed property as measured by the FTSE EPRA/NAREIT Developed AUD Hedged Net Total Return Index, returned -5.3% over the month.

Nominal yields increased with raising inflation expectations. The Australian 10-year government bond yield moved 34bps higher to 1.49% over the month and the US 10-year Treasury yield moved 18bps higher to 1.49% as of month end. Investment Grade credit spreads were mostly flat over the month. As a result, the domestic fixed interest market, as represented by the Bloomberg Ausbond Composite 0+ Yr Index, returned -1.5% and the International Fixed Interest as measured by the Bloomberg Barclays Global-Aggregate Total Return AUD Hedged Index, returned -1.0%.

Funds allocated to both growth assets and defensive assets yielded negative returns 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	0 – 39
Equity – International Listed	Ardevora; BlackRock; First Sentier Investors Realindex; Pental; River & Mercantile; T.Rowe Price; Wellington	2 – 42
Property – Australian and International Listed	BlackRock; Heitman; Principal	0 – 21
Unlisted Infrastructure	First Sentier Investors; Roc Capital; JPM	0 – 18
Fixed Income – Australian	AMP Capital; Janus Henderson; Pental	0 – 35
Fixed Income – International	Angelo, Gordon & Co.; ICG; Kapstream; Mellon; PIMCO; Sound Point; TCW; TwentyFour; Wellington; Western Asset	0 – 42
Other – Defensive and Growth Alternatives	Acadian; Magnetar; SouthPeak	0 – 19
Cash	BlackRock; Pental	0 – 29

- 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](http://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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The information in this document has been prepared by Advance Asset Management Limited ABN 98 002 538 329 AFSL 240902 ('Advance').

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