

# ADVANCE BALANCED MULTI-BLEND FUND

As at 30 November 2021

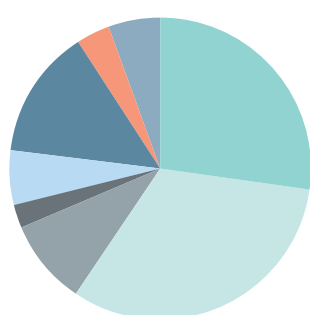
### FUND OVERVIEW

	Wholesale	Retail
Inception date	May 1998	April 1992
APIR code	ADV0050AU	ADV0023AU
Fund size (AUD millions)	\$1,946.91	
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 <sup>1</sup>	0.73	1.39
Buy/sell spread (%)	0.17 / 0.19	0.00 / 0.00

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

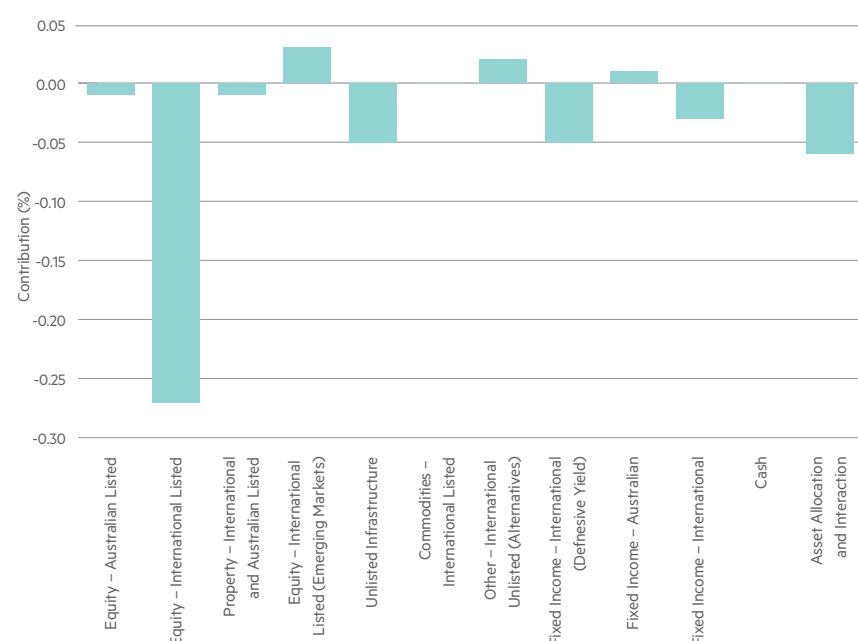
	1 month %	3 months %	1 year %	3 years % pa	5 years % pa	Since Inception % pa
Total Net return	0.18	(1.05)	13.17	10.24	8.95	6.49
Growth return	0.18	(1.63)	2.02	2.49	(0.75)	(0.97)
Distribution return	0.00	0.58	11.14	7.75	9.70	7.46

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



Equity – Australian Listed	27.46%
Equity – International Listed (incl. Emerging Markets)	32.07%
Property – International and Australian Listed	9.14%
Unlisted Infrastructure	2.59%
Fixed Income – Australian	5.93%
Fixed Income – International	13.72%
Other – Defensive and Growth Alternatives	3.57%
Cash	5.52%

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



## FUND UPDATE

The Advance Balanced Multi-Blend Fund produced a positive return over the month of November.

Equity market volatility escalated towards the end of the month due to the discovery of the Omicron COVID-19 variant and increasing concern that 'transitory' inflation may in fact prove to be persistent causing hawkish rhetoric from Federal Reserve officials.

The domestic equity market, as represented by the S&P/ASX 300 Accumulation Index, returned -0.5% over the month. International Equities, as measured by the MSCI World ex Australia Net Return AUD Hedged Index, returned -1.6%. The Australian Dollar, being a commodity and risk-sensitive currency, materially depreciated against major global peers, as a result, unhedged international equity exposure returned 3.7%. Unhedged emerging market equities returned 1.6%, as measured by the MSCI Emerging Markets Net Total Return AUD Index.

Domestic listed property, measured by the S&P/ASX 300 A-REIT Index, delivered a strong return of 4.0% over the month. Global listed property, the FTSE EPRA/NAREIT Developed AUD Hedged Net Total Return Index, returned -1.5%.

Higher short term inflation expectations and negative sentiment on the growth outlook triggered by the Omicron variant caused yield curves to flatten. The US 10-year Treasury yield moved 11bps lower to 1.45%, and the Australian 10-year government bond yield normalised from last month's sell off, down 40bps to 1.69%. Yield movements overshadowed widening credit spreads. As a result, International Fixed Interest as measured by the Bloomberg Barclays Global-Aggregate Total Return AUD Hedged Index, returned 0.7%. Australian Fixed Interest, as measured by the Bloomberg Ausbond Composite 0+ Yr Index, returned 2.1% over the month.

Funds with higher allocations to defensive assets yielded higher returns to those with a higher allocation to growth assets.

## 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	AMP Capital; 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; 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](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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