

ADVANCE MODERATE MULTI-BLEND FUND

As at 31 December 2021

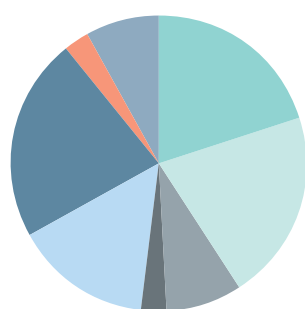
FUND OVERVIEW

	Wholesale	Retail
Inception date	June 2004	June 2004
APIR code	ADV0091AU	ADV0090AU
Fund size (AUD millions)	\$1,033.53	
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 ¹	0.64	1.33
Buy/sell spread (%)	0.14 / 0.17	0.00 / 0.00

PERFORMANCE REVIEW²

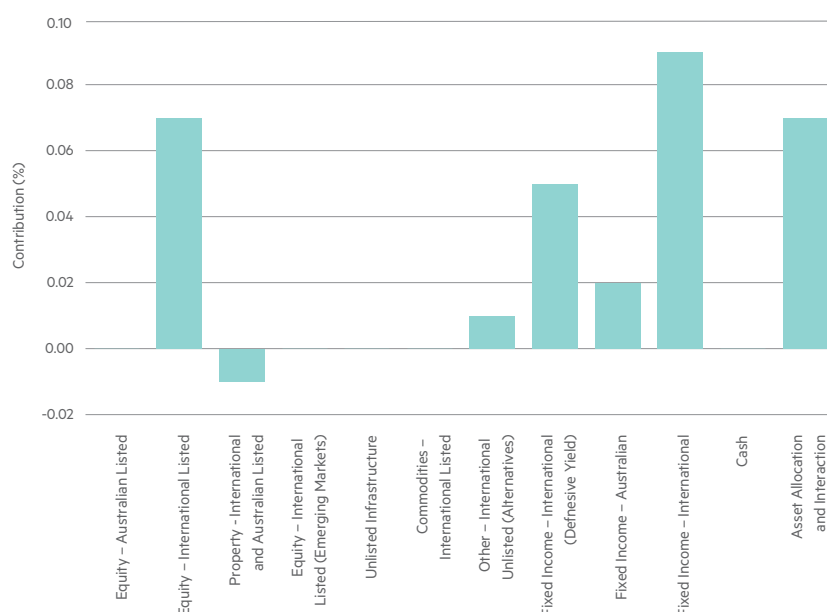
	1 month %	3 months %	1 year %	3 years % pa	5 years % pa	Since Inception % pa
Total Net return	1.51	1.95	10.04	9.18	7.05	6.51
Growth return	1.50	1.94	1.82	3.09	-0.19	0.07
Distribution return	0.01	0.01	8.22	6.09	7.24	6.43

ACTUAL ASSET ALLOCATION³



Equity – Australian Listed	20.49%
Equity – International Listed (incl. Emerging Markets)	21.13%
Property – International and Australian Listed	8.30%
Unlisted Infrastructure	2.68%
Fixed Income – Australian	14.39%
Fixed Income – International	22.18%
Other – Defensive and Growth Alternatives	2.84%
Cash	7.98%

CONTRIBUTION TO EXCESS RETURN⁴



FUND UPDATE

The Advance Moderate Multi-Blend Fund produced a positive return over the month of December.

Developed Equity markets rallied into calendar year end despite the hawkish pivot from the US Federal Reserve to combat inflation and a surge in Omicron cases.

The domestic equity market, as represented by the S&P/ASX 300 Accumulation Index, returned 2.7% over the month. International Equities, as measured by the MSCI World ex Australia Net Return AUD Hedged Index, returned 4.0%. Unhedged international equities returned 1.7%, underperforming hedged exposure as the AUD appreciated against its major global peers. Emerging market equities underperformed returning -0.7%. Emerging Market equities continued to struggle due to the headwinds from Covid restrictions, a stronger USD, surging energy prices and the continuing poor sentiment towards China following concerns regarding anti-trust regulations, property deleveraging and geopolitical issues.

Both Domestic and International Listed Property outperformed, domestic listed property as measured by the S&P/ASX 300 A-REIT Index returned 5.2% and global listed property as measured by the FTSE EPRA/NAREIT Developed AUD Hedged Net Total Return Index, returned 5.9% over the month.

The Australian 10-year government bond yield moved 2bps lower to 1.67% and the US 10-year Treasury yield moved 6bps higher to 1.51% over the month. Investment Grade credit spreads were mostly flat over the month. The domestic fixed interest market, as represented by the Bloomberg Ausbond Composite 0+ Yr Index, returned 0.1% and the International Fixed Interest as measured by the Bloomberg Barclays Global-Aggregate Total Return AUD Hedged Index, returned -0.4%.

Funds allocated to growth assets outperformed those with a higher allocation to defensive assets 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. 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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Advance is the responsible entity of the Advance Moderate Multi-Blend Fund, ARSN 108 947 011 (‘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 advance.com.au, the Retail Fund is closed to new investors. The Financial Services Guide (‘FSG’) for Advance can be obtained via advance.com.au. For the Target Market Determination for this product please refer to bt.com.au/tmd.

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