

# Balanced Growth Trust

## Investment objective

To provide capital growth over the medium to long term by investing in a diversified portfolio of growth assets with some defensive asset exposure, and to achieve a total return after fees in excess of the Trust's benchmark over a rolling five-year period.

Features	Information
APIR code	IOF0093AU
Inception date	April 2008
Minimum suggested investment time frame	5-7 years
Risk/return profile	Medium/High
Benchmark	Composite benchmark
Income distribution frequency	Half yearly (as at 30 June and 31 December)
Trust size	\$1,901.00m

Investment minimums	
Initial investment	\$25,000
Additional investment	\$5,000
Switch/withdrawal	\$5,000

Total estimated management costs as at 30/06/2022 <sup>1</sup>	
Estimated management fee	0.92% pa
Estimated performance fee	0.24% pa
Total estimated management cost	1.16% pa

## Performance <sup>2</sup> as at 31/03/2023

	3 mths %	6 mths %	1 year %	3 years % pa	5 years % pa
Total return	3.19	6.75	0.53	8.61	6.76
Benchmark	4.25	8.99	-0.92	8.85	6.51

Performance data provided by FE fundinfo.

## Investment strategy

The Trust generally gains its exposure to a diversified portfolio of investments through a mix of investment managers.

The growth orientation of the Trust means it has a greater exposure to growth assets (such as Australian and international property and shares and alternative – growth), with a moderate exposure to defensive assets (such as cash, fixed interest and alternative – defensive).

The Trust is authorised to utilise approved derivative instruments for risk management purposes subject to the specific restriction that the derivative instruments cannot be used to gear portfolio exposure.

The underlying investment managers may utilise strategies for the management of currency exposure.

The level of currency hedging used for the Trust will vary from time to time. The Trust has the capacity to change the level and nature of the currency overlay to manage the Trust's currency risk.

## Quarter highlights as at 31/03/2023

- The trust gained exposure to the OptiMix Global Emerging Markets Trust and the OnePath Global Smaller Companies Trust over the quarter. These portfolios will allow the trust to adjust exposures to these sectors more precisely.
- The international shares portfolio outperformed its benchmark. Antipodes and Wellington outperformed.
- Underweights to the international and Australian listed property portfolios added value as the asset classes were poor relative performers.
- The alternative growth portfolio underperformed, with private equity underperforming against benchmark.
- The Australian equities portfolio struggled to keep up with the broader market. Micro cap managers underperformed.
- An overweight to the income trust detracted as the asset class produced weak relative returns.
- An overweight to the alternative growth portfolio detracted as the asset class produced weak relative returns.

## Manager weightings as at 31/03/2023

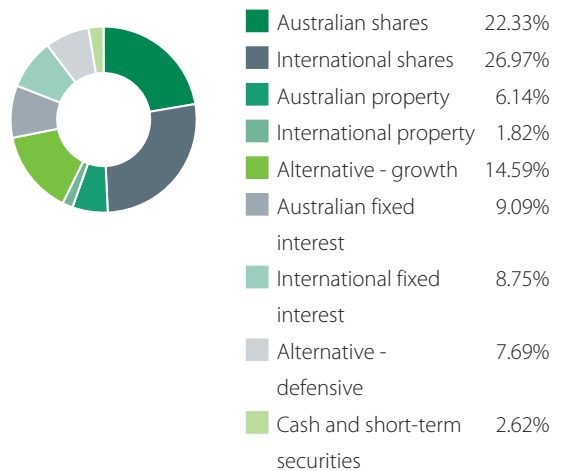
Asset class	Investment manager/s strategy	Manager style/strategy description	Asset allocation %
Australian shares	Acorn Capital Limited	Micro-caps, active long only	1.24
Australian shares	AllianceBernstein Investment Management Australia Limited	Managed volatility and concentrated value	3.53
Australian shares	Invesco Australia Limited	Quantitative, bottom-up, multi-factor approach	0.21
Australian shares	Franklin Templeton Martin Currie Australia Limited	Dynamic value	3.41
Australian shares	Northcape Capital Pty Ltd	Quality	3.04
Australian shares	OC Funds Management Limited	Small cap and micro-cap	2.03
Australian shares	Quest Asset Partners Pty Limited	Fundamental quality and growth	3.36
Australian shares	Boutique Manager Portfolio	Diversified Australian shares	2.66
Australian shares	Vinva Investment Management Limited	Quantitative	2.75
Australian shares	Transactional cash (IOOF Investment Services Ltd)	Transactional cash	0.11
International shares	Alphinity Investment Management Pty Ltd	Quality with earnings leadership	4.91
International shares	Antipodes Partners	Pragmatic value	4.60
International shares	EAM Global Investors LLC	Emerging markets small caps	1.63
International shares	Arrowstreet Capital	Quantitative, core/rotational	0.00
International shares	William Blair Investment Management	Quality at reasonable prices (emerging markets)	0.00
International shares	TT International	Growth at reasonable prices (emerging markets)	2.15
International shares	Neuberger Berman Australia Pty Limited	Emerging quality growth (emerging markets)	0.00
International shares	Berkeley Street Asset Management	Small cap quality growth (emerging markets)	0.00
International shares	Royal London Asset Management	Intrinsic value	4.94
International shares	The Northern Trust Company of Hong Kong Limited	Multi-factor	3.75
International shares	Thomson Horstmann & Bryant, Inc.	Micro-caps	1.36
International shares	Wellington International Management Company Pte Ltd	Growth	3.31
International shares	Transactional cash (IOOF Investment Services Ltd)	Transactional cash	0.33
Australian property	Fidante Partners Limited	Broad cap core	0.23
Australian property	Direct Property (IOOF Investment Services Ltd)	Core	5.22
Australian property	Franklin Templeton Martin Currie Australia Limited	Small cap	0.22
Australian property	Transactional cash (IOOF Investment Services Ltd)	Transactional cash	0.46
International property	Cohen & Steers Capital Management, Inc.	Active, core, bottom-up	0.40
International property	Heitman Global Real Estate Partners II, L.P.	Core plus	0.36
International property	Pendal Institutional Limited	Active, value-driven, risk-controlled	0.27
International property	Resolution Capital Limited	High conviction, benchmark-unaware	0.77
International property	Transactional cash (IOOF Investment Services Ltd)	Transactional cash	0.03
Alternative - growth	Private debt	Private debt	4.96
Alternative - growth	Hedge fund	Hedge fund	0.04
Alternative - growth	Private equity	Private equity	8.56
Alternative - growth	Transactional cash	Transactional cash	1.03
Australian fixed interest	Antares Fixed Income	Short duration investment grade Australian credit	1.21
Australian fixed interest	Ardea Investment Management	Diversified fixed income	2.29
Australian fixed interest	Janus Henderson Investors (Australia) Funds Management Limited	Active Australian fixed interest	3.78
Australian fixed interest	Metrics Credit Partners Pty Limited	Australian corporate loans	0.72
Australian fixed interest	Western Asset Management Company	Australian bonds	0.92
Australian fixed interest	Transactional cash (IOOF Investment Services Ltd)	Transactional cash	0.17

Asset class	Investment manager/s strategy	Manager style/strategy description	Asset allocation %
International fixed interest	Bentham Asset Management Pty Ltd	Syndicated loans	1.07
International fixed interest	Brandywine Global Investment Management, LLC	Top-down, value-driven	2.08
International fixed interest	PGIM (Australia) Pty Ltd	Top-down and bottom-up global core	1.79
International fixed interest	Stone Harbor Investment Partners LP	Emerging markets debt	0.82
International fixed interest	Wellington Management Australia Pty Ltd	Short duration investment grade credit	1.48
International fixed interest	Western Asset Management Company	Global high-grade multi-asset credit	1.50
International fixed interest	Transactional cash (IOOF Investment Services Ltd)	Transactional cash	0.01
Alternative - defensive	Hedge fund	Hedge fund	0.05
Alternative - defensive	Real assets	Real assets	3.43
Alternative - defensive	Private debt	Private debt	3.98
Alternative - defensive	Transactional cash	Transactional cash	0.22
Cash and short-term securities	IOOF Investment Services Ltd	Short-term money market securities	0.36
Cash and short-term securities	Janus Henderson Investors (Australia) Funds Management Limited	Active	1.14
Cash and short-term securities	Pendal Institutional Limited	Relative value credit	1.13

## Asset allocation range

Asset class	Asset range
Cash and short-term securities	0-15%
Diversified fixed interest	5-30%
Alternative - defensive	0-20%
Property	0-20%
Australian shares	15-35%
International shares	15-40%
Alternative - growth	0-20%

## Asset allocation as at 31/03/2023



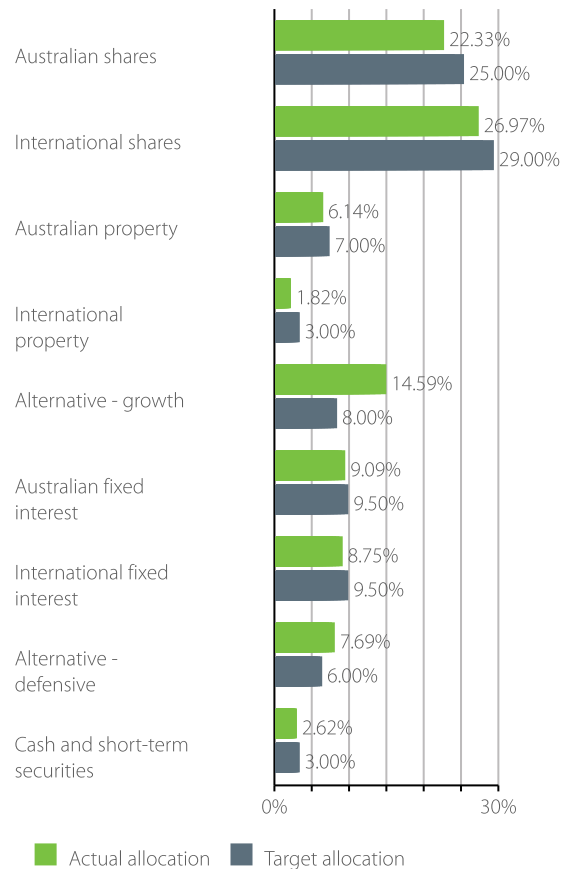
## Top holdings - Australian shares<sup>3</sup> as at 31/03/2023

Holding	Weight
BHP Group Ltd	1.31%
CSL Limited	0.86%
Transurban Group Ltd.	0.71%
National Australia Bank Limited	0.68%
Macquarie Group, Ltd.	0.66%
Telstra Group Limited	0.60%
QBE Insurance Group Limited	0.46%
Woodside Energy Group Ltd	0.45%
Commonwealth Bank of Australia	0.45%
Brambles Limited	0.45%

## Top holdings - International shares as at 31/03/2023

Holding	Weight
Microsoft Corporation	0.61%
Apple Inc.	0.44%
Amazon.com, Inc.	0.44%
UnitedHealth Group Incorporated	0.36%
Taiwan Semiconductor Manufacturing Co., Ltd.	0.33%
ASML Holding NV	0.28%
Eli Lilly and Company	0.27%
Accenture Plc Class A	0.26%
Fortinet, Inc.	0.26%
LVMH Moet Hennessy Louis Vuitton SE	0.25%

## Actual versus target asset allocation as at 31/03/2023



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### Notes to the trust profile

- The total estimated management cost includes the management fee and any performance fees (shown if applicable) that may be charged by underlying investment managers. These costs are subject to change from time to time and may vary depending on changes to the composition of the underlying assets, changes in exposure to underlying investment managers and where any unusual or non-recurrent expenses are incurred. Estimated performance fees if applicable are indicative and have been based on the annualised performance fees incurred as at 30 June 2022. Please refer to the latest PDS and [www.ioof.com.au](http://www.ioof.com.au) for full details on fees and costs.
- Performance is net of management costs and expenses. Performance is based on exit price to exit price for the period and assumes that all distributions are reinvested. Management costs and other expenses are accounted for in the exit price. Past performance is not a reliable indicator of future performance. Please refer to [www.ioof.com.au](http://www.ioof.com.au) for updated performance information. Performance data is provided by FE fundinfo (FE fundinfo (Australia) Pty Limited, ABN 18 601 868 311). For further information visit <https://www.fe-fundinfo.com>
- Information shown may include data provided by some investment managers from the prior month.

**Important information:** This profile is issued by IOOF Investment Services Ltd (IISL) ABN 80 007 350 405, AFSL 230703, as Responsible Entity of the IOOF MultiSeries and IOOF MultiMix Trusts. IISL is a company within the Insignia Financial group which consists of Insignia Financial Ltd ABN 49 100 103 722 and its related bodies corporate. IISL's contact details can be found on [www.ioof.com.au](http://www.ioof.com.au). Past performance is not a reliable indicator of future performance. The information contained in this document is believed to be correct at the time of publication, however to the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on the information it contains. This profile is not intended to represent investment or professional advice. The information does not take into account your individual objectives, financial circumstances or needs. You should assess whether the information is appropriate for you, having regard to your objectives, financial circumstances or needs. You should consider the relevant Product Disclosure Statement (PDS) and Target Market Determination (TMD) in deciding whether to acquire or to continue to hold the investment and consider talking to a licensed or appropriately authorised financial adviser before making an investment decision.