

ADVANCE MODERATE MULTI-BLEND FUND

As at 30 November 2022

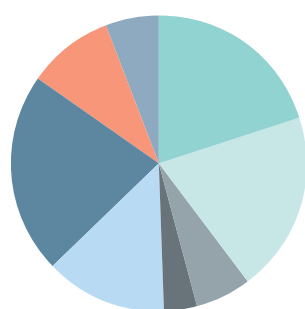
FUND OVERVIEW

| | Wholesale | Retail |
|--------------------------------------|---|-------------------------|
| Inception date | June 2004 | June 2004 |
| APIR code | ADV0091AU | ADV0090AU |
| Fund size (AUD millions) | \$820.47 | |
| 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 | 0.63 | 1.33 |
| Buy/sell spread (%) | 0.14 / 0.14 | 0.00 / 0.00 |

PERFORMANCE REVIEW²

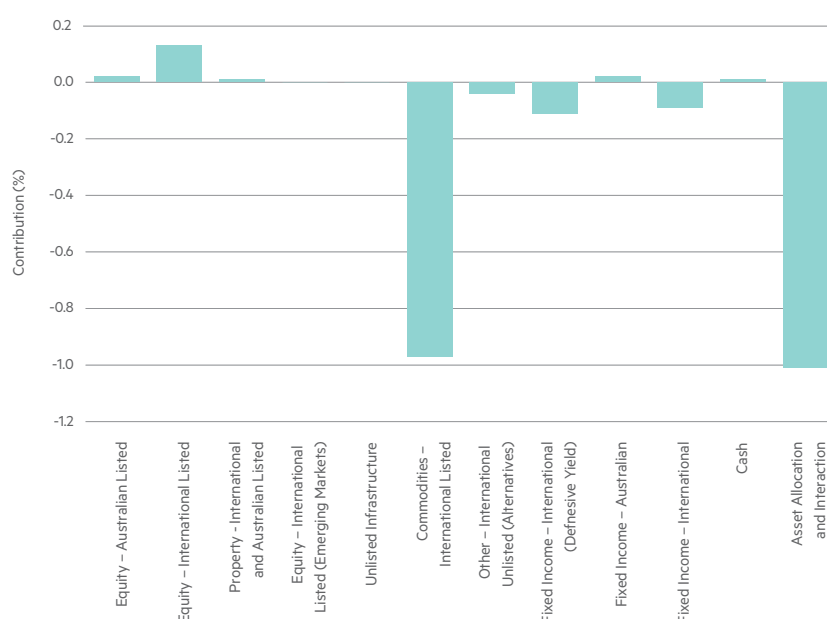
| | 1 month % | 3 months % | 1 year % | 3 years % pa | 5 years % pa | Since Inception % pa |
|---------------------|-----------|------------|----------|--------------|--------------|----------------------|
| Total Net return | 2.46 | 1.21 | (5.21) | 1.72 | 3.87 | 5.79 |
| Growth return | 2.46 | 1.20 | (11.16) | (5.16) | (2.14) | (0.65) |
| Distribution return | 0.00 | 0.01 | 5.95 | 6.88 | 6.01 | 6.43 |

ACTUAL ASSET ALLOCATION³



| | |
|--|--------|
| Equity – Australian Listed | 20.12% |
| Equity – International Listed (incl. Emerging Markets) | 19.72% |
| Property – International and Australian Listed | 6.24% |
| Unlisted Infrastructure | 3.57% |
| Fixed Income – Australian | 13.35% |
| Fixed Income – International | 21.83% |
| Other – Defensive and Growth Alternatives | 9.40% |
| Cash | 5.76% |

CONTRIBUTION TO EXCESS RETURN⁴



FUND UPDATE

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

A lower-than-expected October US inflation print triggered a rally in stock markets as interest rate expectations shifted lower. This was despite the US Federal Reserve hiking its cash rate target by another 75bps to 3.75-4.00% and its hawkish messaging suggesting a higher terminal rate of above 5%. The US mid-term election concluded with Republicans taking control of the House of Representatives and the Democrats retaining control of the Senate. Domestically, the Reserve Bank of Australia delivered another 25bps rate hike, the first November rate rise since 2010. The Australian Bureau of Statistics released a new monthly CPI indicator, showing a headline inflation of 6.9% year-on-year to October, below market expectations.

The domestic equity market, as represented by the S&P/ASX 300 Accumulation Index, returned 6.5% over the month. International Equities, as measured by the MSCI World ex Australia Net Return AUD Hedged Index, returned 5.4%. Unhedged international equities returned 2.0%, underperforming hedged exposure as the AUD appreciated against its major global peers. Chinese offshore equities had a sharp rebound with the Hang Seng index rallying 26.6% over the month.

Market sentiment improved with Chinese authorities recalibrating covid restriction rules and laying out measures to address the liquidity crunch in the property sector. As a result, emerging market equities outperformed, returning 9.6% in AUD terms.

Domestic listed property as measured by the S&P/ASX 300 A-REIT Index returned 5.8% and global listed property as measured by the FTSE EPRA/NAREIT Developed AUD Hedged Net Total Return Index, returned 5.0% over the month.

The Australian 10-year government bond yield moved 23bps lower to 3.53% and the US 10-year Treasury yield moved 44bps lower to 3.61% over the month. Both Investment Grade and High Yield credit spreads narrowed. 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 2.4%.

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; Pental; Platypus; Solaris | 0 – 39 |
| Equity – International Listed | Ardevora; BlackRock; First Sentier Investors Realindex; Pental; T.Rowe Price; Wellington; Aikya; Guardcap | 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 | Macquarie; Janus Henderson; Pental | 0 – 35 |
| Fixed Income – International | Angelo, Gordon & Co.; ICG; Kapstream; PIMCO; Sound Point; TCW; TwentyFour; Wellington; Western Asset; IIMG | 2 – 42 |
| Other – Defensive and Growth Alternatives | Acadian; Magnetar; PineBridge; SouthPeak; Bridgewater | 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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