

Fund Summary

OptiMix Global Emerging Markets Share OneAnswer Frontier Investment Portfolio

30 June 2023

Fund details

Investment manager	OptiMix
Fund code	MMF1542AU
Asset type	Equity
Region	Global Emerging Markets
Fund size	\$2.24 million as at 30 Jun 2023
Commencement date	28 Sep 2010
Distributions	Half yearly

Investment objective

The fund aims to achieve returns (before fees, charges and taxes) that exceed the MSCI Emerging Markets (Free) Index (\$A unhedged), over periods of five years or more.

Investment strategy

The fund invests predominantly in a diversified portfolio of shares in global emerging markets through a mix of managers. The fund is actively managed in accordance with the OptiMix Multi-manager investment process.

Minimum time horizon

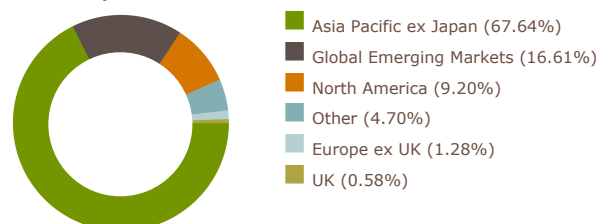
5 years

Standard Risk Measure*

The Standard Risk Measure (SRM) is based on industry guidance to allow investors to compare funds that are expected to deliver a similar number of negative annual returns over any 20 year period. The SRM for this fund is shown below:



Country allocation



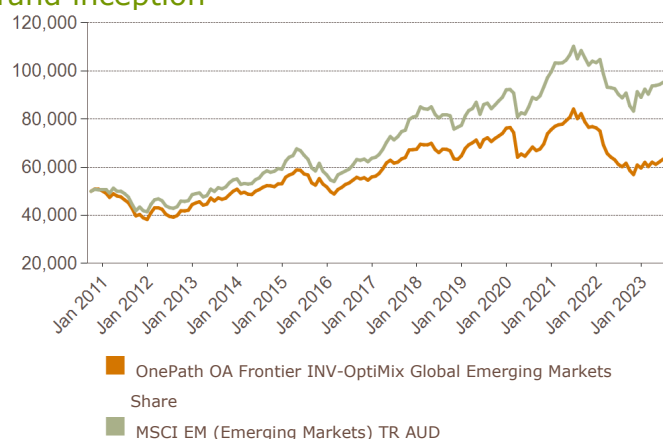
Fund performance

As at 30 Jun 2023

	1 mth %	3 mth %	1 yr %	3 yr % pa	5 yr % pa	7 yr % pa	10 yr % pa
Total Return †	1.81	2.11	3.70	-1.54	-0.82	2.47	3.27
Benchmark ‡	1.00	1.66	5.59	3.88	3.45	7.04	6.68
Excess Return	0.80	0.45	-1.89	-5.42	-4.27	-4.57	-3.41
Distribution	0.54	0.54	1.06	5.92	6.54	5.11	4.19
Growth	1.27	1.56	2.65	-7.46	-7.36	-2.65	-0.92
Risk (1 Std Dev)	-	-	12.13	11.63	12.21	11.06	10.45
Tracking Error	-	-	3.97	3.98	3.79	3.40	3.27
Info. Ratio	-	-	-0.5	-1.4	-1.1	-1.3	-1.0

Calendar year returns	YTD	2022	2021	2020	2019
Total Return †	6.30	-21.87	0.88	-0.77	17.82
Benchmark ‡	7.07	-13.95	3.77	8.12	19.07
Excess Return	-0.77	-7.92	-2.89	-8.89	-1.25

Growth of \$50,000 invested since fund inception



Top 10 holdings

Security	% of fund
TAIWAN SEMICONDUCTOR MFG CO -	7.16%
SAMSUNG ELECTRONICS CO LTD - O	3.95%
TENCENT HOLDINGS LTD - ORD HKD	3.22%
RELIANCE INDUSTRIES LTD - ORD	3.09%
ALIBABA GROUP HLDG - ORD USD.0	2.86%
B3 S.A.-BRASIL BOLSA BALCAO -	2.03%
AXIS BANK LTD - ORD INR2	1.87%
HDFC BANK LTD - ORD INR1	1.75%
ICICI BANK LTD - ORD INR2	1.63%
BANK CENTRAL ASIA TBK (PT) - O	1.46%
Total Top 10	29.01%

* For further information on Standard Risk Measures and the calculation methodology used, go to onpath.com.au/personal/performance/product-updates.aspx

† Returns quoted use the unit price which is calculated using the net asset values for the relevant month end. The prices shown may differ from the actual unit price if an investor is applying for or redeeming an investment. Actual unit prices will be confirmed following any transaction on an investor's investment. Please note that all returns are after the deduction of management fees and expenses and assumes all distributions are re-invested. Where applicable, management fees have been deducted at the highest entry fee option rate. No allowance has been made for entry or exit fees.

‡ Benchmark returns should be used for indicative purposes only. These returns may not be a true indication of this Fund's performance against its investment objective.

Fund Summary

OptiMix Global Emerging Markets Share OneAnswer Frontier Investment Portfolio

30 June 2023

Market and portfolio review

Global emerging markets rose strongly over the quarter, outperforming the MSCI AC World index. A rebound in risk appetite towards Chinese equities was a key driver, despite weaker economic data releases.

India underperformed as persistent food price rises kept headline inflation elevated. Taiwan was behind the index as continued strength in AI theme stocks was offset by weakness elsewhere.

Future investment strategy

It's fair to say the reopening of China has disappointed. Years of lockdowns combined with a weak property market (which accounts for about 80% of Chinese savers' wealth) have sapped consumer confidence. While Chinese consumer confidence is weak, investor sentiment might even be more so, and the market is clearly waiting for more tangible policies rather than words of Politburo support.

This uncertain outlook creates opportunities for medium term investors. China is priced for a lot to go wrong, and not much to go right. The upcoming first half 2023 reporting season will be key – expectations are already low, but we will be watching management outlook statements as well as any increase in cash returns to shareholders. Contrasting this negativity is India today, where the positive fundamentals of growth and reform are well known and – by our reckoning – rather at risk of not meeting lofty expectations. We continue to be patient holders of select Chinese equities as we wait for the recovery to progress.

Despite the negatives from China, there are many positives across emerging markets today. Emerging economies have generally been ahead of the curve in fighting inflation, without the need for additional fiscal spending. That leaves many emerging market governments and central banks well placed to stimulate for growth, should there be any economic slowdown. At the same time, many emerging market equity markets are still trading below long-run average valuations. In aggregate, this combination presents us, as active investors, with a myriad of longer term investment opportunities.

OnePath Funds Management Limited (ABN 21 003 002 800 AFSL 23 8342) and OnePath Custodians Pty Limited (ABN 12 008 508 496 AFSL 238346 RSE L0000673) are the issuers of this material. Except as described in the relevant Product Disclosure Statement (PDS), the issuers do not stand behind or guarantee the capital or performance of your investment. Your investment is subject to investment risk, including possible repayment delays and loss of income and principal invested.

This information is current as at 30 Jun 2023 with the commentary current for the most recent quarter end (eg. March, June, Sept or Dec) however in some cases may be applicable for the preceding month or quarter end. Updated information will be available free of charge by contact Client Services on 133 665. The information is of a general nature and does not take into account your personal needs, financial circumstances or objectives. Before acting on this information, you should consider the appropriateness of the information, having regard to your needs, financial circumstances and objectives. Past performance is not indicative of future performance. The future value of investments may rise and fall with changes in the market. You should read the relevant PDS available at onepath.com.au and consider whether that particular product is right for you before making a decision to acquire or continue to hold the product.