



Product Viewpoint

IOOF MultiMix Balanced Growth

ISSUE DATE 30-03-2022

Key information

APIR CODE	IOF0093AU
STATUS	OPEN
ASSET CLASS	MULTI-ASSET
SECTOR	61-80% GROWTH ASSETS
SUB SECTOR	MULTI-MANAGER
PRODUCT TYPE	WHOLESALE
LEGAL TYPE	UNIT TRUST
PDS 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.

FUND SIZE	\$1,928.62M
MINIMUM INITIAL / ADDITIONAL INVESTMENT	\$25,000 / \$5,000
MINIMUM INVESTMENT BALANCE	\$25,000
DISTRIBUTION FREQUENCY	BI-ANNUAL

Fees & costs

MANAGEMENT COSTS	1.08% P.A. (INCL. MANAGEMENT FEE 0.92% AND PERFORMANCE RELATED FEES 0.17%)
PERFORMANCE FEE	MAY BE CHARGED ON SOME UNDERLYING STRATEGIES
ICR % PA	0.92%
BUY SPREAD / SELL SPREAD	0.1% / 0.1%

Returns after fees (at 31-5-2022)

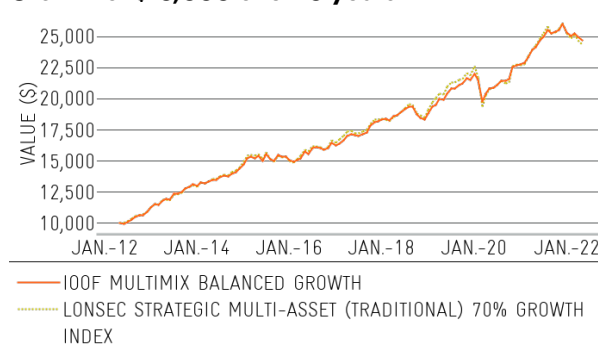
	1 YR	3 YR	5 YR	10 YR
TOTAL RETURN (% PA)	2.23	7.44	7.60	9.48
INCOME RETURN (% PA)	7.94	7.46	9.47	8.07
GROWTH RETURN (% PA)	-5.72	-0.01	-1.87	1.40
LONSEC BENCHMARK (% PA)	0.37	6.21	6.94	9.31
EXCESS RETURN (% PA)	1.86	1.23	0.66	0.16

BENCHMARK USED: LONSEC STRATEGIC MULTI-ASSET (TRADITIONAL) 70% GROWTH INDEX

Asset allocation (at 30-6-2021)

	%ACTUAL	%MIN	%MAX	%TARGET
AUSTRALIAN EQUITIES	28.5	20.0	40.0	30.0
INTERNATIONAL EQUITIES	33.3	15.0	35.0	25.0
LISTED PROPERTY	3.4	0.0	20.0	10.0
UNLISTED PROPERTY	6.6	0.0	20.0	10.0
ALTERNATIVE ASSETS	-	0.0	35.0	10.0
AUSTRALIAN FIXED INTEREST	12.9	10.0	35.0	22.0
GLOBAL FIXED INTEREST	8.9	10.0	35.0	22.0
OTHERS	1.1	0.0	35.0	10.0
CASH	5.3	0.0	15.0	3.0

Growth of \$10,000 over 10 years



What this Rating means

The 'Recommended' rating indicates that Lonsec has strong conviction the financial product can generate risk adjusted returns in line with relevant objectives. The financial product is considered an appropriate entry point to this asset class or strategy.

Lonsec Opinion of this Fund

Overall

Lonsec has maintained the Trust's 'Recommended' rating following its most recent review. The rating reflects the high regard and conviction for the experience and calibre of the investment team. The rating is also underpinned by Lonsec's positive view of the Trust's robust and repeatable investment process. Notably, the increased resourcing post integration of the OnePath team provides a further depth of expertise within investment management, asset allocation and risk management. Considering the integration of MLC is expected to be a multi-year journey, Lonsec will be closely monitoring the degree of collaboration and realised synergies.

Strengths

- The Trust is managed by an experienced and well-led investment team.
- IOOF implements a robust and consistently applied research process underpinning underlying manager selection and portfolio construction functions.
- Relatively strong alignment of interests of the investment team with end investors.
- Since the acquisition of MLC in May 2021, the IOOF Investment team have been selectively accessing the MLC investment team insights and resources. This has been very measured and designed to complement IOOF's investment process and manager selection.

Weaknesses

- Although the value proposition is strong, the Trust's overall fee load is relatively high in the peer group.

ANALYST: AMOGH RAMESH | APPROVED BY: ROBBIE LEW

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Product Risk Characteristics

	LOW	MODERATE	HIGH
BUSINESS SUSTAINABILITY RISK		●	
CAPITAL VOLATILITY			●
CREDIT RISK	●		
INTEREST RATE RISK	●		
FOREIGN CURRENCY RISK		●	
LEVERAGE RISK	●		
SECURITY CONCENTRATION RISK	●		
SECURITY LIQUIDITY RISK		●	
REDEMPTION RISK	●		

Risk categories are based on Lonsec’s qualitative opinion of the risks inherent in the financial product’s asset class and the risks relative to other financial products in the relevant Lonsec sector universe.

ESG BiOmetric

	LOW	MODERATE	HIGH
		●	

What is this Fund?

The IOOF MultiMix Balanced Growth Trust (the Trust) is a 72%/28% growth/defensive Multi-Manager offering that has exposure to a broad range of asset classes (including equities, fixed interest, property and alternatives) and employs a selection of specialist fund managers.

Using this Fund

Lonsec notes that the Manager has produced a Target Market Determination (‘TMD’) which forms part of the Responsible Entity’s Design and Distribution Obligations for the Trust. Lonsec has collected the TMD that has been provided by the Manager and notes that this should be referred to for further details on the Target Market Summary, Description of Target Market and Review Triggers.

Multi-Asset Class Multi-Manager Funds are well suited to investors who desire a diversified portfolio, but have limited capital to invest.

Suggested Lonsec risk profile suitability

SECURE	DEFENSIVE	CONSERVATIVE	BALANCED	GROWTH	HIGH GROWTH
				●	

For guidance on appropriate asset allocations and risk profiles, refer to the latest Lonsec Strategic Asset Allocation Review and Risk Profile Definitions on our website.

Manager Profile

Insignia Financial Ltd (‘Insignia Financial’) is a wealth management company offering products and services across; financial advice and distribution, portfolio and estate administration and investment management. Insignia Financial is listed on the Australian Stock Exchange (ASX code: IFL). As of 31 December 2021, Insignia Financial had \$325.8bn in Funds Under Management and Administration.

Top 10 holdings (at 31-3-2022)

NAME	WEIGHT %
BHP GROUP LIMITED	1.3
MICROSOFT CORP	0.9
NATIONAL AUSTRALIA BANK LIMITED	0.8
MACQUARIE GROUP LIMITED	0.7
AMAZON.COM, INC.	0.7
CSL LIMITED (AUD)	0.7
TRANSURBAN GROUP	0.7
APPLE INC	0.7
ALPHABET INC	0.6
TELSTRA CORPORATION LIMITED	0.5

SOURCE: FE FUNDINFO

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Glossary

[Click here for the glossary of terms.](#)

About Lonsec

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Analyst Disclosure and Certification

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