



## MLC Wholesale Horizon 1 Bond Portfolio

MLC0669AU **Author:** Ian Cannon **Published:** 24 Apr 2026

Data is provided by the manager at 30 Jun 2025, and currency in AUD, unless otherwise stated

Refer to glossary for definition of the rating

### Product Viewpoint

#### About this Product

Investment manager	MLC Asset Management Services Limited
Benchmark	42% Bloomberg AusBond Credit 0+ Year Index AUD / 30% Bloomberg AusBond Bank Bill Index AUD / 28% Bloomberg Global Aggregate Corporate TR Index (AUD Hedged)
Product structure	Managed Fund
Product size	\$31.24m
Inception date	Dec 2005
Asset class	Fixed Interest
Sector	Specialised Income
Peer group	Multi-Manager
Rated peers	1

#### Product Characteristics

Business Life Cycle	Mature
Product Wind-Up Risk	High
Key Person Risk	Low
Tenure of Decision Makers	Medium
Complex (RG240)	No
Strategy Remaining Capacity	Medium
ESG Approach	Risk or Value
Peer Relative Fees and Costs	Below Median

### Product Opinion

The Fund has maintained its **'Recommended'** rating. This rating reflects the high regard and conviction in the experience and calibre of the broader investment team and their ability to execute the investment process. The continued consolidation of the heritage businesses provides depth of expertise across the investment process.

The pending ownership approval to CC Capital is a watchpoint for the stability of the investment management business. Although processes are in place, using a related party creates the potential for conflicts of interest, which remains a watchpoint.

#### Lonsec Rating Model

Rating key: ●●● Above ●●● In-line ●●● Below

Factor	Peer Rating	YoY Score Change
Business	●●●	—
Team	●●●	—
Process	●●●	—
ESG	●●●	—
Product	●●●	—
Fees	●●●	—
Performance	●●●	↑

#### Allocation Profile

Core		
Satellite		
	Low Complexity	High Complexity

#### Return Profile

Income		
Capital		
	Defensive	Growth

#### Strengths

- The Fund is managed by an experienced and well-led investment team.
- Breadth of resources and tools pertaining to manager research, asset allocation, performance analytics, governance and implementation teams.
- Robust and consistently applied investment process underpinning underlying manager selection and portfolio construction.
- Integration of the broader investment team is well-progressed to further enhance the Manager's investment capabilities.

#### Weaknesses

- The pending ownership approval to CC Capital is a watchpoint given its potential implications for the investment management business.
- Although processes are in place, using a related party creates the potential for conflicts of interest, which remains a watchpoint.
- The complexity of managing an extensive breadth of heritage products with varying objectives, although recent alignment of the asset class and trust structures has improved efficiency.

### Key Facts

#### Key Objectives

Investment objective	The Fund aims to outperform the Benchmark (after fees) over two-year periods. The return is also expected to be higher than cash investments. At the same time, the Fund aims to preserve capital over one-year periods.
Internal return objective	To outperform cash by 0.5% p.a. to 1.0% p.a. (after fees).
Internal risk objective	None

#### Asset Allocation (%) (as at 31/12/2025)

Australian Fixed Interest	78.35
Global Fixed Interest	6.86
Alternative Assets	0.57
Cash	14.22
<b>Total</b>	<b>100.00</b>

Source: FE fundinfo

#### Rating History

01-May-2025	Recommended
13-Feb-2024	Recommended
21-Apr-2023	Investment Grade

#### Product Distribution Profile

Frequency	Quarterly
Last Missed Distribution	None
Number of Missed Distributions in the last 5 years	0
AMIT Election	Yes
TOFA Election	No

#### Top 10 Holdings (as at 31/12/2025)

	Weight (%)
IOOF INCOME TRUST CLASS C	78.330
AUSTRALIA & NEW ZEALAND BANKING GROUP LTD 0.0% FEB-27	0.880
WESTPAC BANKING CORP 0.0% DEC-26	0.750
NATIONAL AUSTRALIA BANK LIMITED FRN 18/10/27 AUD200000REG S	0.710
FIDANTE PARTNERS SERVICES LTD	0.660
WESTPAC BANKING CORP SR UNSECURED 12/26 VAR	0.630
COMMONWEALTH BANK OF AUSTRALIA FRN 13/01/28 AUD250000 102	0.620
AUSTRALIA & NEW ZEALAND BANKING GROUP LTD NAN% SEP-26	0.530
NATIONAL AUSTRALIA BANK LIMITED FRN 24/08/26 AUD1000REG S	0.510
NATIONAL AUSTRALIA BANK NATIONAL AUSTRALIA BANK	0.390

Source: FE fundinfo

#### Target Market Determination

Produced by issuer	Yes
Provided to Lonsec	Yes

#### Performance Analysis - annualised after fees at 31/12/2025

	1 Year	Median	2 Year	Median	3 Year	Median	5 Year	Median
Performance (% p.a)	5.54	-	5.93	-	6.07	-	3.09	-
Standard deviation	0.66	-	0.92	-	1.20	-	1.58	-
Excess return (% p.a)	0.67	-	1.34	-	1.00	-	1.74	-
Outperformance ratio (% p.a)	66.67	-	58.33	-	58.33	-	60.00	-
Worst drawdown (%)	0.00	-	-0.17	-	-0.17	-	-3.57	-
Time to recovery (mths)	-	-	1	-	1	-	9	-
Sharpe ratio	2.36	-	1.85	-	1.64	-	0.24	-
Information ratio	0.99	-	1.27	-	0.59	-	0.82	-
Tracking error (% p.a)	0.68	-	1.06	-	1.71	-	2.12	-

**Lonsec Peer Group:** Fixed Interest - Specialised Income - Multi-Manager

**Product Benchmark:** 42% Bloomberg AusBond Credit 0+ Year Index AUD / 30% Bloomberg AusBond Bank Bill Index AUD / 28% Bloomberg Global Aggregate Corporate TR Index (AUD Hedged)

**Cash Benchmark:** Bloomberg AusBond Bank Bill Index AUD

**Time to recovery:** NR - Not recovered, dash - No drawdown during period

### Latest Product Information

(as provided by the manager & sourced from third party data vendors. This data may differ from the data provided to Lonsec at the time of rating)

#### Returns after fees (as at 30/04/26)

	3mth	1yr	3yr	5yr	10yr
Total return	0.60	4.69	5.80	3.27	2.58
Income return	0.75	3.82	4.59	3.78	2.98
Growth return	-0.15	0.88	1.21	-0.51	-0.40
Lonsec benchmark	0.05	3.09	4.21	1.66	2.60
Excess return	0.55	1.61	1.59	1.61	-0.03

**Benchmark Used:** 42% Bloomberg AusBond Credit 0+ Year Index AUD / 30% Bloomberg AusBond Bank Bill Index AUD / 28% Bloomberg Global Aggregate Corporate TR Index (AUD Hedged)

Source: FE fundinfo

#### Growth of \$10,000 Over 10 Years



– MLC Wholesale Horizon 1 Bond Portfolio  
– 42% Bloomberg AusBond Credit 0+ Year Index AUD / 30% Bloomber

#### Top 10 Holdings (as at 31/01/2026)

Name	%
IOOF INCOME TRUST CLASS C	79.2
AUSTRALIA & NEW ZEALAND BANKING GROUP LTD 0.0% FEB-27	.7
WESTPAC BANKING CORP 0.0% DEC-26	.6
FIDANTE PARTNERS SERVICES LTD	.6
NATIONAL AUSTRALIA BANK LIMITED FRN 18/10/27 AUD200000REG S	.6
WESTPAC BANKING CORP SR UNSECURED 12/26 VAR	.5
COMMONWEALTH BANK OF AUSTRALIA FRN 13/01/28 AUD250000 102	.5
AUSTRALIA & NEW ZEALAND BANKING GROUP LTD NAN% SEP-26	.4
NATIONAL AUSTRALIA BANK LIMITED FRN 24/08/26 AUD1000REG S	.4
BENTHAM WHOLESALE HIGH YIELD FUND	.4

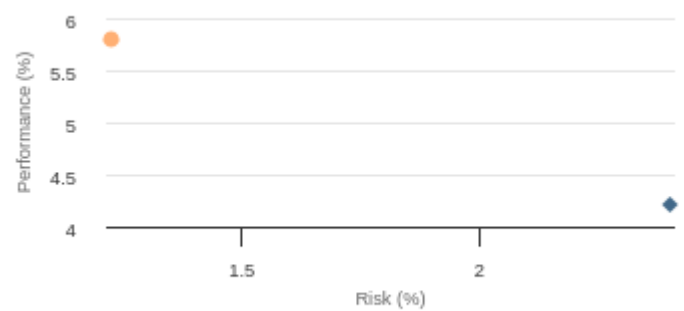
Source: FE fundinfo

#### Annual Fees and Costs (% p.a.) (as at 30/09/2025)

Management fees & costs	0.50
Performance fee costs	0.00
Net Transaction Costs	0.00
Buy/Sell Spread	0.05/0.05
<b>Annual fees and costs</b>	<b>0.50</b>

Source: FE fundinfo

#### 3 Year Risk and Return



● MLC Wholesale Horizon 1 Bond Portfolio  
◆ 42% Bloomberg AusBond Credit 0+ Year Index AUD / 30% ...

#### Asset Allocation (%) (as at 30/04/2026)

Australian Fixed Interest	79.12
Global Fixed Interest	6.89
Alternative Assets	0.33
Cash	13.65
Total	100.00

Source: FE fundinfo

## Appendix

**LONSEC RECOMMENDS THIS DOCUMENT BE READ IN CONJUNCTION WITH THE PRODUCT REVIEW.**

### General

**Excess return:** Return in excess of the benchmark return.

**Information ratio:** Relative reward for relative risk taken (Excess Returns / Tracking Error).

**Sharpe ratio:** Excess return earned for additional volatility experienced when holding riskier assets versus risk-free asset.

**Standard deviation:** Volatility of monthly Absolute Returns.

**Stewardship Policies:** the strength of a manager's proxy voting and engagement policies with respect to ESG.

**Time to recovery:** The number of months taken to recover the Worst Drawdown.

**Total return:** 'Top line' actual return, after fees.

**Tracking error:** Volatility of monthly Excess Returns against the benchmark (the Standard Deviation of monthly Excess Returns).

**Worst drawdown:** The worst cumulative loss ('peak to trough') experienced over the period assessed.

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'**Highly Recommended**' rating indicates that Lonsec has very strong conviction the product can meet its investment objectives.

'**Recommended**' rating indicates that Lonsec has strong conviction the product can meet its investment objectives.

'**Investment Grade**' rating indicates that Lonsec has conviction the product can meet its investment objectives.

'**Approved**' rating indicates that Lonsec believes the product can meet its investment objectives.

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'**Closed / Wind Up**' status is applied when the product has been closed.

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- the financial services we provide;
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- how we deal with conflicts of interest; and
- how we deal with complaints

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Sydney NSW 2000

Tel: 1300 826 395

Email: [complaints@lonsec.com.au](mailto:complaints@lonsec.com.au)

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Email: [info@afca.org.au](mailto:info@afca.org.au)

Phone: 1800 931 678

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This FSG was prepared on 1 August 2024.