



IOOF Balanced Investor Trust

IOF0232AU Author: Chris Serpesedes Published: 29 Apr 2025

Data is provided by the manager at 30 Jun 2024, and currency in AUD, unless otherwise stated

Refer to glossary for definition of the rating

Product Viewpoint

About this Product

Investment manager	IOOF Investment Services Ltd
Benchmark	Lonsec Strategic Multi-Asset (Traditional) 70% Growth Index
Product structure	Managed Fund - IM
Product size	\$4.48b
Inception date	Dec 2013
Asset class	Multi-Asset
Sector	61-80% Growth Assets
Growth/defensive split	79/21%
Peer group	Multi-Manager
Rated peers	16

Product Characteristics

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

Annual Fees and Costs (% p.a.)

Management fees & costs	0.53
Performance fee costs	0.02
Net Transaction Costs	0.07
Buy/Sell Spread	0.05/0.06
Annual fees and costs	0.62

Source: FE fundinfo, IM Date: 19/Aug/2024

Strengths

- The Trust is managed by an experienced and well-led investment team.
- Breadth of resources and tools in particular manager research, asset allocation, performance analytics, governance and implementation.
- Robust and consistently applied investment process underpinning manager selection and portfolio construction functions.
- Integration of the broader investment team that has been progressing well to further enhance the Manager's investment capabilities.

Weaknesses

- A more extensive liquidity stress testing framework would be viewed encouragingly given the higher complexity and liquidity risks.
- Private equity allocation is a watchpoint, with a specific focus on its deployment, deal selection and capital call management.
- The Growth/Defensive mix is heavily skewed in favour of growth assets which may be moderately different to investors' perceptions given the 'Balanced' name. Investors should ensure the asset class mix aligns with their risk tolerance.
- Although there are processes in place, using a related party creates the potential for conflicts of interest, which remains a watchpoint.

Product Opinion

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

However, a more extensive liquidity stress testing framework would be viewed encouragingly given the higher complexity and liquidity risks of the target strategic asset allocation, which has a higher proportion towards unlisted assets. A further track record in private equity, particularly the selection of deals, will be viewed encouragingly as deployment occurs.

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

Key Facts

Key Objectives

Investment objective	To provide capital growth over the medium to long term by investing in a diversified portfolio of growth and defensive assets. To achieve total returns after fees in excess of the CPI + 4% p.a. over ten years.
Internal return objective	Outperform the composite benchmark by 1.0% p.a. after fees over rolling five-year periods.
Internal risk objective	Tracking error of between 1.0% to 2.0% p.a. over a rolling five-year time period.
Non-financial objective	N/A

Rating History

13-Sep-2024	Recommended
28-Aug-2024	Fund Watch
08-May-2024	Recommended

Performance Analysis - annualised after fees at 31/12/2024

	1 Year	Median	2 Year	Median	3 Year	Median	5 Year	Median
Performance (% p.a)	12.50	12.15	12.19	11.97	5.99	4.88	7.08	6.19
Standard deviation	4.88	5.00	5.79	6.34	7.35	7.97	8.12	9.48
Excess return (% p.a)	-2.11	-2.46	-1.12	-1.35	0.31	-0.79	0.03	-0.87
Outperformance ratio (% p.a)	41.67	37.50	45.83	41.67	52.78	44.44	48.33	45.00
Worst drawdown (%)	-2.14	-2.13	-3.66	-4.61	-6.78	-9.57	-11.99	-15.21
Time to recovery (mths)	2	-	1	-	4	8	8	8
Sharpe ratio	1.64	1.54	1.38	1.19	0.38	0.21	0.63	0.45
Information ratio	-1.79	-1.63	-0.81	-0.93	0.16	-0.37	0.01	-0.46
Tracking error (% p.a)	1.18	1.24	1.38	1.38	1.97	1.93	1.97	1.97

Lonsec Peer Group: Multi-Asset - 61-80% Growth Assets - Multi-Manager

Product Benchmark: Lonsec Strategic Multi-Asset (Traditional) 70% Growth Index

Cash Benchmark: Bloomberg AusBond Bank Bill Index AUD

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

Product Distribution Profile

Frequency	Semi-Annually
Last Missed Distribution	None
Number of Missed Distributions in the last 5 years	None
AMIT Election	Yes
TOFA Election	No

Target Market Determination

Produced by issuer	Yes
Provided to Lonsec	Yes

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 31/03/26)

	3mth	1yr	3yr	5yr	10yr
Total return	-1.92	8.61	9.12	7.19	7.82
Income return	0.00	0.00	0.00	0.00	0.84
Growth return	-1.92	8.61	9.12	7.19	6.98
Lonsec benchmark	-1.91	9.29	10.10	7.37	8.22
Excess return	-0.01	-0.68	-0.98	-0.18	-0.40

Benchmark Used: Lonsec Strategic Multi-Asset (Traditional) 70% Growth Index

Source: FE fundinfo

Growth of \$10,000 Over 10 Years

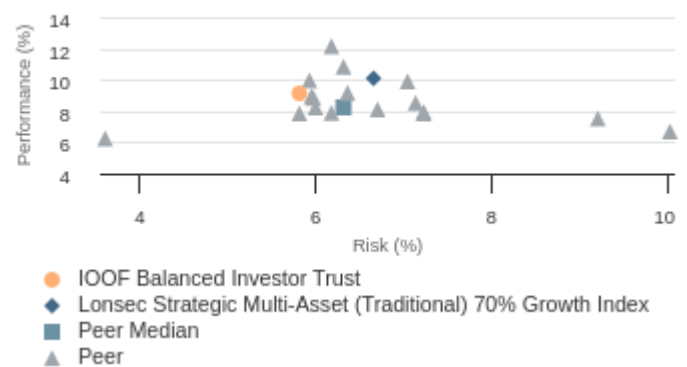


Annual Fees and Costs (% p.a.) (as at 30/09/2025)

Management fees & costs	0.54
Performance fee costs	0.01
Net Transaction Costs	0.08
Buy/Sell Spread	0.10/0.10
Annual fees and costs	0.63

Source: FE fundinfo

3 Year Risk and Return



Asset Allocation (%) (as at 28/02/2026)

Australian Equities	25.16
International Equities	31.31
Listed Property	3.73
Unlisted Property	1.00
Australian Fixed Interest	11.47
Global Fixed Interest	12.20
Alternative Assets	12.34
Cash	2.78
Total	100.00

Source: FE fundinfo

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 '**Screened Out**' rating indicates Lonsec was unable to attain sufficient conviction that the product can meet its investment objectives.

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Lonsec Research FSG

Financial Services Guide

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- who we are and our contact details;
- the financial services we provide;
- the remuneration that may be paid to us and other persons in relation to the financial services we provide;
- how we deal with conflicts of interest; and
- how we deal with complaints

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Contact Details

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Email: info@lonsec.com.au

www.lonsec.com.au

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 - life risk insurance products as well as any products issued by a Registered Life Insurance Company that are backed by one or more of its statutory funds;

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Lonsec Research FSG (continued)

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Complaints Manager

Level 39, 25 Martin Place
Sydney NSW 2000

Tel: 1300 826 395

Email: complaints@lonsec.com.au

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Email: info@afca.org.au

Phone: 1800 931 678

Mail:

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This FSG was prepared on 1 August 2024.