



# Product Viewpoint

## IOOF MultiMix Growth

ISSUE DATE 15-04-2021

### Key information

APIR CODE	IOF0097AU
STATUS	OPEN
ASSET CLASS	MULTI-ASSET
SECTOR	81-100% GROWTH ASSETS
SUB SECTOR	MULTI-MANAGER
PRODUCT TYPE	WHOLESALE
LEGAL TYPE	UNIT TRUST
PDS OBJECTIVE	TO PROVIDE CAPITAL GROWTH OVER THE LONG-TERM BY INVESTING IN A PORTFOLIO OF PREDOMINANTLY GROWTH ASSETS WITH MINIMAL DEFENSIVE ASSET EXPOSURE, AND TO ACHIEVE A TOTAL RETURN AFTER FEES IN EXCESS OF THE TRUST'S BENCHMARK OVER A ROLLING SEVEN YEAR PERIOD.
FUND SIZE	\$695.4M
MINIMUM INITIAL / ADDITIONAL INVESTMENT	\$25,000 / \$5,000
MINIMUM INVESTMENT BALANCE	\$25,000
DISTRIBUTION FREQUENCY	BI-ANNUAL

### Fees & costs

MANAGEMENT COSTS	1.07% P.A. (INCL. MANAGEMENT FEE 0.96% AND PERFORMANCE RELATED FEES 0.11%)
PERFORMANCE FEE	MAY BE CHARGED ON SOME UNDERLYING STRATEGIES
ICR % PA	0.96%
BUY/SELL DIFFERENTIAL	0.24%

### Returns after fees (at 31-5-2021)

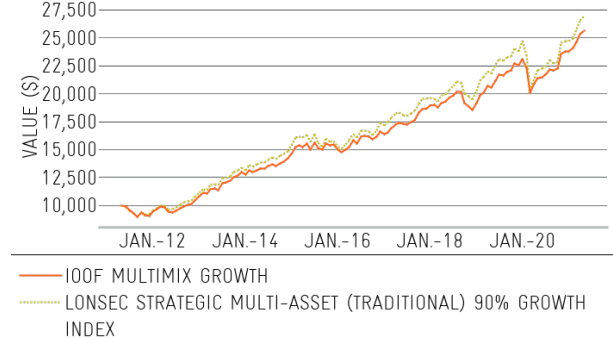
	1 YR	3 YR	5 YR	10 YR
TOTAL RETURN (% PA)	19.90	10.02	10.14	9.89
INCOME RETURN (% PA)	7.15	10.04	12.18	8.31
GROWTH RETURN (% PA)	12.75	-0.02	-2.04	1.58
LONSEC BENCHMARK (% PA)	22.12	10.59	10.49	10.42
EXCESS RETURN (% PA)	-2.22	-0.57	-0.35	-0.53

BENCHMARK USED: LONSEC STRATEGIC MULTI-ASSET (TRADITIONAL) 90% GROWTH INDEX

### Asset allocation (at 31-3-2021)

	%ACTUAL	%MIN	%MAX	%TARGET
AUSTRALIAN EQUITIES	30.4	25.0	50.0	39.0
INTERNATIONAL EQUITIES	36.9	20.0	45.0	32.0
LISTED PROPERTY	5.3	-	-	-
UNLISTED PROPERTY	6.1	0.0	20.0	10.0
ALTERNATIVE ASSETS	-	0.0	30.0	1.0
AUSTRALIAN FIXED INTEREST	1.9	0.0	20.0	8.0
GLOBAL FIXED INTEREST	3.0	-	-	-
OTHERS	15.1	-	-	-
CASH	1.2	0.0	10.0	1.0

### 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 the latest 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 P&I team provides further depth of expertise within investment management, asset allocation and risk management.

Lonsec will be closely monitoring the progress of the MLC Wealth acquisition and its impact on the investment team and Trust performance.

#### 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.
- An improvement in risk adjusted performance outcomes relative to its peer group.
- Relatively strong alignment of interests of the investment team with end investors.

#### Weaknesses

- The Trust's fee load is relatively high against its peers.
- Upcoming MLC Wealth and IOOF merger may serve as a distraction to the investment team.

ANALYST: ROBBIE LEW | APPROVED BY: DARRELL CLARK

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## Product Risk Characteristics

	LOW	MODERATE	HIGH
BUSINESS SUSTAINABILITY RISK		●	
CAPITAL VOLATILITY			●
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 Growth Trust ('the Trust') is a 90%/10% growth/defensive Multi-Manager Fund that has exposure to a broad range of asset classes (including equities, fixed interest, property and alternatives) and employs a selection of investment managers. The Trust targets a return in excess of CPI + 4.0% p.a. after fees over rolling ten year periods.

## Using this Fund

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

IOOF is a wealth management company offering products and services across; financial advice and distribution, portfolio and estate administration and investment management. IOOF Holdings Limited is listed on the Australian Securities Exchange (ASX Code:IFL). As of 31 December 2020, IOOF had \$202bn in Funds Under Management, Administration and Advice.

## Glossary

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

## About Lonsec

Lonsec Research Pty Ltd (Lonsec) is an investment research house with specialist areas of expertise, that was originally established in 1994 and the current entity was registered on 23 June 2011. From 1 July 2011, Lonsec became a fully owned subsidiary of Lonsec Fiscal Holdings Pty Ltd, a privately owned entity with a multi-brand strategy of providing leading financial services research and investment execution. Lonsec believes that professional financial advisers need informed opinions on the best investment strategies and financial products to provide real value for their clients. To meet this need, Lonsec has in place an experienced research team, which draws on a robust research process to undertake in-depth assessment of managed fund products.

## Analyst Disclosure and Certification

Analyst remuneration is not linked to the research or rating outcome. Where financial products are mentioned, the Analyst(s) may hold the financial product(s) referred to in this document, but Lonsec considers such holdings not to be sufficiently material to compromise the rating or advice. Analyst holdings may change during the life of this document. The Analyst(s) certify that the views expressed in this document accurately reflect their personal, professional opinion about the matters and financial product(s) to which this document refers.

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P 2-2

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