



Product Viewpoint

IOOF MultiMix Balanced Growth

ISSUE DATE 15-04-2021

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	\$1,913.12M
MINIMUM INITIAL / ADDITIONAL INVESTMENT	\$25,000 / \$5,000
MINIMUM INVESTMENT BALANCE	\$25,000
DISTRIBUTION FREQUENCY	BI-ANNUAL

Fees & costs

MANAGEMENT COSTS	1.02% P.A. (INCL. MANAGEMENT FEE 0.92% AND PERFORMANCE RELATED FEES 0.10%)
PERFORMANCE FEE	MAY BE CHARGED ON SOME UNDERLYING STRATEGIES
ICR % PA	0.92%
BUY/SELL DIFFERENTIAL	0.22%

Returns after fees (at 31-5-2021)

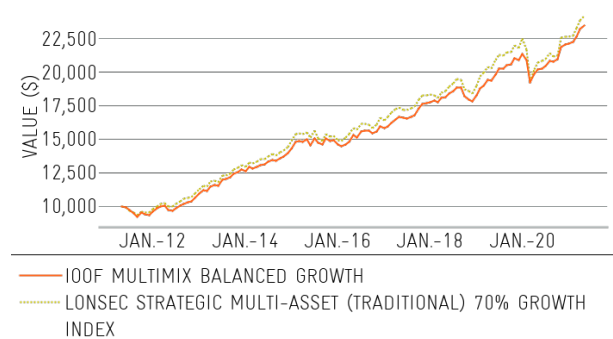
	1 YR	3 YR	5 YR	10 YR
TOTAL RETURN (% PA)	16.26	9.00	8.94	8.91
INCOME RETURN (% PA)	6.73	8.79	10.13	7.73
GROWTH RETURN (% PA)	9.52	0.21	-1.19	1.18
LONSEC BENCHMARK (% PA)	16.74	9.15	8.83	9.23
EXCESS RETURN (% PA)	-0.48	-0.16	0.11	-0.32

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

Asset allocation (at 31-3-2021)

	%ACTUAL	%MIN	%MAX	%TARGET
AUSTRALIAN EQUITIES	23.5	20.0	40.0	30.0
INTERNATIONAL EQUITIES	27.9	15.0	35.0	25.0
LISTED PROPERTY	4.0	0.0	20.0	10.0
UNLISTED PROPERTY	6.2	0.0	20.0	10.0
ALTERNATIVE ASSETS	-	0.0	35.0	10.0
AUSTRALIAN FIXED INTEREST	8.7	10.0	35.0	22.0
GLOBAL FIXED INTEREST	8.1	10.0	35.0	22.0
OTHERS	17.3	0.0	35.0	10.0
CASH	4.2	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 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

IOOF MultiMix Balanced Growth

ISSUE DATE 15-04-2021

ANALYST: ROBBIE LEW | APPROVED BY: DARRELL CLARK

P 2-2

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.

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

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.

LONSEC STRONGLY RECOMMENDS THIS DOCUMENT BE READ IN CONJUNCTION WITH THE PRODUCT REVIEW AND PRODUCT DISCLOSURE STATEMENT. Issued by Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421 445 (Lonsec). Please read the following before making any investment decision about any financial product mentioned in this document. Lonsec receives a fee from the fund manager or financial product issuer(s) for researching the financial product(s) set out in this document and for services including research subscriptions. Lonsec’s fee is not linked to the rating(s) outcome. Lonsec does not hold the financial product(s) referred to in this document. Lonsec’s representatives and/or their associates may hold the financial product(s) referred to in this document, but details of these holdings are not known to the Analyst(s). **Warnings:** In line with industry practice returns may be estimated, to access verified returns please refer to the product provider. Past performance is not a reliable indicator of future performance. Any advice is General Advice based on the investment merits of the financial product(s) alone, without considering the investment objectives, financial situation and particular needs of any particular person. It is not a recommendation to purchase, redeem or sell the relevant financial product(s). Before making an investment decision the reader must consider his or her financial circumstances or seek personal financial advice on its appropriateness. Read the Product Disclosure Statement for each financial product before making any decision about whether to acquire a financial product. Lonsec’s research process relies upon the participation of the fund manager. Should they no longer be an active participant in Lonsec’s research process, Lonsec reserves the right to withdraw the document at any time and discontinue future coverage. **Disclaimer:** This document is for the exclusive use of the person to whom it is provided and not to be relied upon by any other person. Lonsec makes no representation, warranty or undertaking in relation to the accuracy or completeness of the information presented in this document, which is drawn from unverified public information. Financial conclusions, ratings and advice are reasonably held at the time of completion but may change without notice. Lonsec assumes no obligation to update this document following publication. Except for any liability which cannot be excluded, Lonsec, its directors, officers, employees and agents disclaim all liability for any error or inaccuracy in, misstatement or omission from, this document or any loss or damage suffered by the reader or any other person as a consequence of relying upon it. ©2021 Lonsec. All rights reserved.