

Generation Life Sectoral Blend Fund

Fact sheet | 31 December 2018

Fund facts	
Asset class	Diversified - growth
Inception date	10 September 2004
Investment menu code	UF10
Fund size	\$26.58 million
APIR code	ALL0014AU
Investment management cost (ICR) ¹	0.79%p.a.
Buy/sell spread	0.18% / 0.17%
Suggested minimum investment period	5 Years
Risk level	6 - High
Invests into	Russell Investments Balanced Fund (APIR: RIM0001AU)

Investment objective

To outperform (before tax and fees) an internal benchmark comprising the weight combination of relevant market indexes.

Investment approach

The fund typically invests in a diversified portfolio mix with exposure to growth investments of around 70% and defensive assets of around 30%. Derivatives may be used to implement investment strategies.

About the investment manager

Russell Investments, a global asset manager, is one of only a few firms that offers actively managed multi-asset portfolios and services that include advice, investments and implementation. Russell Investments provides solutions for institutional investors, financial advisers and individuals working with their advisers - using the firm's core capabilities that extend across capital market insights, manager research, asset allocation, portfolio implementation and factor exposures - to help each achieve their desired investment outcomes. The firm has A\$379.4 billion in assets under management (as of 31 December 2017) and works with more than 2,500 institutional clients, independent distribution partners and individual investors globally.

Performance² (after tax and management fees)

	Performance
1 month (%)	-1.18
3 months (%)	-4.96
6 months (%)	-3.81
1 year (%)	-3.50
2 year (p.a. %)	1.11
3 year (p.a. %)	1.91
5 year (p.a. %)	3.82
7 year (p.a. %)	6.08
10 Year (p.a. %)	6.27
Since Inception (p.a. %)	3.82

Notes

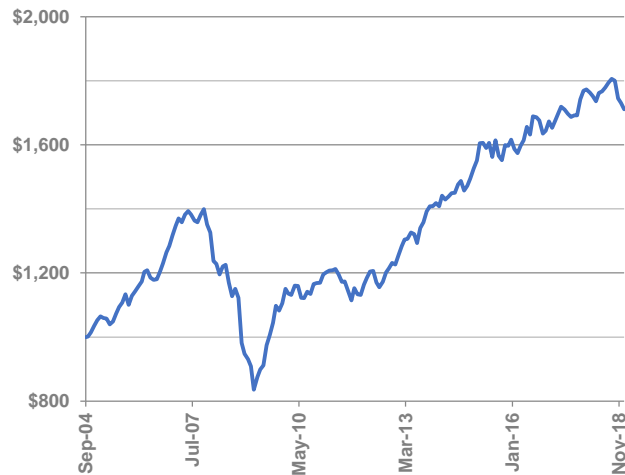
¹ The Indirect Cost Ratio (ICR) includes the investment manager's fees, estimated performance fee (if applicable), estimated expense recoveries and other indirect costs as a percentage of total average assets of the investment option as at 30 June 2018, but excludes indirect transactions and operation costs (see latest copy of the PDS).

² Past performance is not an indicator of future performance.

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Growth of \$1,000 since inception



Fund commentary

Global share markets fell sharply in the fourth quarter, with the MSCI World Index – Net returning -11.0% for the period (or -13.5% in hedged AUD terms). Stocks fell against a backdrop of heightened geopolitical risks, including ongoing US-China trade uncertainty, rising US interest rates and renewed global growth fears. Australian shares were also lower for the quarter; the S&P/ASX 300 Accumulation Index closing the period down 8.4% amid a series of mixed shareholder updates, further evidence China's economy is slowing and some disappointing September quarter growth data. Local stocks were also impacted by another tepid inflation reading, weaker commodity prices and heightened domestic political uncertainty. Global bonds posted good gains for the quarter, with the Bloomberg Barclays Global Aggregate Bond Index up 1.7% in hedged AUD terms. Australian bonds continued to outperform their global peers over the period, with the Bloomberg AusBond Composite 0+ Year Index returning 2.2%. The domestic cash market closed the period 0.5% higher.

Target asset allocation

	Range
Cash	0-20%
Fixed interest	0-40%
Australian shares	0-60%
International shares	0-40%
Property	0-20%
Other	0-20%

Actual asset allocation

	Range %
Cash	8.64
Australian fixed interest	10.44
International fixed interest	13.49
Australian property	3.14
Australian shares	28.19
International shares	30.36
Other	5.74
Total	100.00

Investor services

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Adviser services

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Important notice: Generation Life Limited (Generation Life) AFSL 225408 ABN 68 092 843 902 is the issuer of Investment Bonds (IB). In deciding to acquire an IB or to hold an IB (including switching between Investment Portfolio options), you should obtain the relevant PDS and consider its content. We recommend that you obtain financial, legal and taxation advice before making any investment decision, including switching Investment Portfolios. Generation Life does not guarantee (whether expressly or impliedly) investment returns or the return of capital invested when investing in IB Investment Portfolios. The information in this Adviser Reference Sheet does not take account of your objectives, financial situation or needs. Past performance is not an indicator of future performance. Performance is measured by Investment Portfolio unit price movements (after Tax and Management fees). The above-listed information is correct up to and including 31 December 2018 only.