

Russell Investments Balanced Fund

Fact sheet | 31 May 2020

Fund facts	
Asset class	Diversified - growth
Inception date	10 September 2004
Investment menu code	UF10
Fund size	\$25.44 million
APIR code	ALL0014AU
Investment management cost (ICR) ¹	0.87%p.a.
Buy/sell spread	0.17% / 0.24%
Suggested minimum investment period	5 Years
Risk level	6 - High
Underlying strategy	Russell Investments Balanced Fund (APIR: RIM0001AU)

Recent Fund History

Please note this investment option changed name from Generation Life Sectoral Blend Fund to Russell Investments Balanced Fund on 20 May 2019

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 9 June 2020, but excludes indirect transactions and operation costs (see latest copy of the PDS).

²Past performance is not an indicator of future performance.

Investment objective

To outperform (before fees and tax) 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\$371 billion in assets under management (as of 31 December 2018) 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 (%)	2.01
3 months (%)	-5.12
6 months (%)	-7.02
1 year (%)	-2.23
2 year (p.a. %)	0.00
3 year (p.a. %)	1.12
5 year (p.a. %)	1.92
10 Year (p.a. %)	4.64
Since Inception (p.a. %)	3.68

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Growth of \$1,000 since inception



Fund commentary

Global share markets made good gains in May, with the MSCI World Index – Net returning 3.4% for the period (or 4.7% in hedged AUD terms). Much of the gains were driven by expectations economic activity would pick up amid a further loosening of coronavirus containment measures and ongoing fiscal and monetary policy support globally. With more and more countries emerging from their virus-induced lockdowns, investors bet that the worst of the pandemic had passed, and that growth would likely begin to accelerate through the second half of the year. Investors were also encouraged by further stimulus efforts in China, Japan and Europe, as well as intermittent reports that a virus vaccine may be close; though an effective vaccine ultimately failed to materialise. Australian shares tracked their global counterparts higher over the month, with the S&P/ASX 300 Accumulation Index closing the period up 4.6%. Like their global peers, the local market's gains were driven largely by expectations domestic economic activity would continue to pick up as federal and state officials rolled back more of the virus-induced restrictions that brought the economy to a near standstill in recent months. Stocks were also well supported by continued fiscal and monetary policy support and some strong performances from the major miners and 'Big Four' banks. Meanwhile, global bonds made modest gains for the month, with the Bloomberg Barclays Global Aggregate Bond Index up 0.3% in hedged AUD terms. Australian bonds matched their global counterparts over the period, with the Bloomberg AusBond Composite 0+ Year Index also returning 0.3%, while the domestic cash market closed the month flat.

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	6.25
Australian fixed interest	8.81
International fixed interest	10.64
Property	6.59
Australian shares	29.75
International shares	30.37
Other	7.59

Investor services

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Adviser services

Phone 1800 333 657
Email advisers@genlife.com.au

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 May 2020 only.