


Russell Investments Balanced Fund

Fact sheet | 31 October 2020

Fund facts	
Asset class	Diversified - growth
Tax aware level	 Enhanced
Inception date	10 September 2004
Investment menu code	UF10
Fund size	\$25.61 million
APIR code	ALL0014AU
Investment management cost (ICR) ¹	0.88%p.a.
Buy/sell spread	0.19% / 0.18%
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 27 October 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.

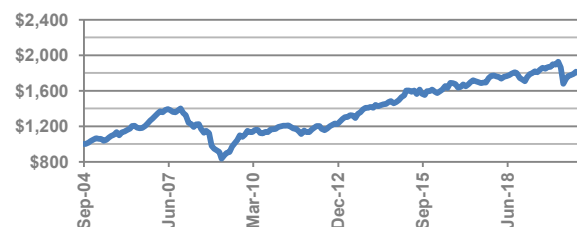
Performance² (after tax and management fees)

	Performance
1 month (%)	0.47
3 months (%)	0.93
6 months (%)	4.28
1 year (%)	-3.50
2 year (p.a. %)	1.74
3 year (p.a. %)	1.21
5 year (p.a. %)	2.47
10 Year (p.a. %)	4.45
Since Inception (p.a. %)	3.73

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Growth of \$1,000 since inception



Fund commentary

Global share markets were weaker in October, with the MSCI World Index - Net returning -1.1% for the month (or -3.1% in hedged AUD terms). Much of the decline was driven by fears that governments may be forced to impose harsher (and potentially economically destructive) coronavirus containment measures as the spread of infections globally continued to accelerate throughout the period. Stocks were also impacted by the US government's continued failure to agree a new economic stimulus package, the prospect of a contested US presidential election and the European Central Bank's decision to maintain its current, albeit ultra-easy, monetary policy rather than introduce additional stimulus. Sentiment was further impacted by ongoing Brexit uncertainty and a late sell off in US technology stocks. Limiting the decline was a strong rebound in US growth; the world's biggest economy expanding at a 33.1% annualised pace in the third quarter. We also saw some encouraging Chinese growth data, with gross domestic product coming in at 4.9% in the 12 months to 30 September. Stocks also benefited from a series of encouraging US and European earnings updates. Australian shares made good gains over the period, with the S&P/ASX 300 Accumulation Index closing the month up 1.9%. The local market's gains were driven largely by a 'market friendly' Federal Budget and expectations the Reserve Bank of Australia would soon introduce additional stimulus after officials hinted at as much following the Bank's October meeting. Stocks also benefited from an easing of lockdown restrictions in Victoria, a strong jump in consumer confidence and an uptick in corporate activity, with both Coca-Cola Amatil and AMP subject to takeover offers. Limiting the advance was the ongoing surge in coronavirus cases globally, disappointing jobs and inflation data and rising tensions between Canberra and Beijing after the latter suspended purchases of Australian coal. Meanwhile, global bonds were flat in October, as measured by the Bloomberg Barclays Global Aggregate Bond Index in hedged AUD terms. Australian bonds narrowly outperformed their global counterparts over the period, with the Bloomberg AusBond Composite 0+ Year Index returning 0.3%. The domestic cash market closed the month flat.

Investment guidelines

	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

	%
Cash	10.81
Australian fixed interest	7.19
International fixed interest	13.17
Property	8.47
Australian shares	29.18
International shares	25.42
Other	5.76

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 October 2020 only.