


# Generation Life Tax Effective Australian Share Fund

Fact Sheet | 31 July 2021

Performance as at 31 July 2021 <sup>1</sup>	1 Month (%)	3 Month (%)	6 Month (%)	12 Month (%)	24 Month (%)	Since Inception (%)
Fund net return (after fees & tax)	0.88	4.89	11.95	23.08	7.05	10.32
Benchmark return (before tax) <sup>2</sup>	1.10	5.80	13.78	28.56	7.66	11.16
Gross investment return (before fees & tax) <sup>3</sup>	1.11	6.02	14.27	27.68	7.45	10.87
Gross investment return (before fees & after tax) <sup>3</sup>	1.17	6.21	14.90	29.12	9.88	13.17

Fund facts	
<b>Sector</b>	Australian shares
<b>Tax aware level</b>	 Tax Optimised
<b>Inception date</b>	20 May 2019
<b>Fund code</b>	UF35
<b>Generation Life APIR code</b>	ALL3779AU
<b>Investment management cost<sup>4</sup></b>	0.65%p.a.
<b>Buy/sell spread</b>	0.25%/0.25%
<b>Suggested minimum investment period</b>	5 Years
<b>Risk level</b>	6 - High

## Investment objective

Aims to provide long-term tax effective total returns, with diversification across a broad range of Australian companies and industries.

## Investment approach

The fund uses a systematic quantitative rules-based approach to build a diversified portfolio by considering factors such as the quality of a company, its growth potential and its implied value relative to its price. The approach considers the tax position of each holding and incorporates additional active investment insights to take advantage of dividends, associated franking credits and other tax effective payments with the aim of delivering an enhanced after-tax return.

## Notes

1. Past performance is not an indicator of future performance.
2. S&P/ASX 200 Accumulation Index.
3. Adjusted for Investment management fees and transaction costs
4. Investment management costs include investment manager's fees, estimated investment expense recoveries and other indirect investment costs as a percentage of the total average assets of the investment option based on latest available information, but excludes indirect transaction and operational costs.

## Performance commentary

For the one-month period ending 31 July 2021 the after fee and tax return was 0.88%.

Consumer Discretionary, Materials and Industrials sectors were the largest contributors to active return during the month.

By contrast, allocation in the Consumer staples, Information technology and Real estate were the largest detractors for the month.

At a stock level Champion Iron Ltd, Mineral Resources Ltd and Janus Henderson Group PLC were the top contributors. On the other side, positions in Platinum Asset Management, Magellan Financial Group Ltd and Worley Ltd detracted from returns.

The rolling 12-month cash dividend yield of the Fund is forecast to be 4.3% versus the S&P/ASX200 Index of 3.9%.

## Market commentary

The Australian equity market (S&P/ASX 200 Accumulation Index) returned +1.1% over the month of July, its 10th consecutive monthly gain to reach record highs. The index is now up 14.1% year to date.

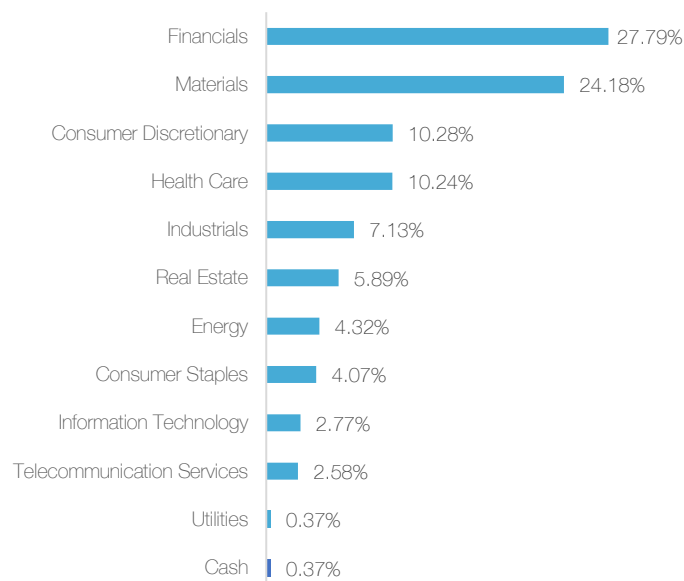
Sector wise, in Australia, the best performer was Materials (+7.1%). Investors are embracing iron ore related stocks on expectations of record dividend payments to be announced during reporting season in August. The Industrials (+4.2%) and Healthcare (+1.2%) sectors also rose

Information Technology (-6.9%) was the worst performing sector, following similar moves from global peers. Energy (-2.9%) continued its poor run after a disappointing second quarter performance and the Communication sector also performed poorly (-1.4%).

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## Sector selection



## Top 10 holdings

Company	Fund (%)	Benchmark (%) <sup>2</sup>
Commonwealth Bank of Australia	8.06	8.52
BHP Group Ltd	6.44	7.59
CSL Ltd	5.78	6.34
Westpac Banking Corp	4.05	4.34
Fortescue Metals Group Ltd	3.31	2.00
Aristocrat Leisure Ltd	3.29	1.28
National Australia Bank Ltd	3.25	4.12
Rio Tinto Ltd	3.14	2.39
Australia & New Zealand Banking	3.08	3.80
Amcor PLC	2.15	0.62

## About the investment manager



Redpoint is a boutique Australian investment manager that specialises in listed asset classes including Australian equities, international equities, global infrastructure and global property. Redpoint has brought together a significant group of seasoned investment specialists with complementary skills with a shared vision of delivering risk efficient and cost-effective investment solutions to their clients.

The Redpoint team have been managing systematic Australian and global equity strategies for over 20 years. Redpoint currently manages approximately \$10 billion for institutional and retail clients across a range of domestic and global equity strategies.

## About Generation Life

As the pioneer of Australia's first truly flexible investment bond, we have been at the forefront of providing innovative tax-effective investment solutions since 2004. As an innovation led business, we constantly strive to enhance our products and processes to optimise after-tax investment performance for our investors. We are a leading specialist provider of tax optimised investment and estate planning solutions – with over \$2 billion invested with us to date.

Generation Life is a regulated life insurance company and our parent company is listed on the Australian Securities Exchange. Our focus is to continue to provide Australians with market leading tax-effective investment solutions that provide a flexible investment alternative to meet both personal and financial goals.

Our investment solutions are designed to help you grow your wealth, meet your day-to-day investment needs and to help you plan for your future needs including the transfer of wealth to the next generation.

## Investor services

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## Adviser services

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