

## Pendal Active Balanced Fund

ARSN: 088 251 496

## Factsheet

Multi-Asset Strategies

30 June 2025

### About the Fund

The Pendal Active Balanced Fund (**Fund**) is an actively managed diversified portfolio that invests in Australian and international shares, Australian and international listed property securities, Australian and international fixed interest, cash and alternative investments. The Fund has a higher weighting towards growth assets than defensive assets.

### Investment Return Objective

The Fund aims to provide a return (before fees, costs and taxes) that exceeds the Fund's benchmark over the medium to long term. The suggested investment timeframe is five years or more.

### Benchmark

The benchmark for the Fund is created from a range of published indices. The benchmark is based on the asset allocation neutral position and the index returns for each asset class. Details of the particular market indices used for the Fund's benchmark can be found at

[www.pendalgroup.com/products/pendal-active-balanced-fund](http://www.pendalgroup.com/products/pendal-active-balanced-fund)

### Investment Process

At Pendal, we actively manage our portfolios to meet their investment objectives by diversifying investments across both asset classes and strategies. We employ three main approaches to do this:

1. **Strategic asset allocation** – weighted asset class exposures designed to meet the investment objectives over the long term investment horizon
2. **Active management** – exploitation of market inefficiencies within asset classes
3. **Active asset allocation** – exploitation of market directionality across asset classes

The underlying investments in the Fund are primarily managed by specialist teams within Perpetual Group, including Pendal for alternatives, fixed interest and Australian equities, and a range of specialist managers within the Group for international equities. In respect of global listed property, we have outsourced to a specialist global property manager, AEW. The Perpetual's Multi-Asset Strategies Team also manages an active asset allocation process designed to increase portfolio returns within a defined risk budget.

### Investment Guidelines

Asset allocation ranges (%)	*Neutral Position	Ranges	
		Min	Max
Australian shares	30	20	40
International shares	34	20	40
Australian fixed interest	8	0	25
International fixed interest	8	0	25
Australian property securities	2	0	10
International property securities	2	0	10
Alternative investments	12	0	20
Cash	4	0	20

\*Neutral positions effective from 30 June 2025.

### Investment Team

The Fund is managed by Perpetual's Multi-Asset Strategies Team. The team has a diverse skill set, with deep experience in asset allocation and portfolio construction; and draws on the broader resources of Perpetual Group's other specialist teams around the world. During March 2024 the prior responsible investment management team, being the Pendal Multi-Asset Investments Team, merged with the Perpetual Multi-Asset Team.

<sup>1</sup> The asset allocation neutral position, asset allocation ranges and the benchmark have changed over time. As it is historical information, the Fund performance reflects the asset allocation neutral positions and ranges that have applied over time. The benchmark performance shown is that of the combined benchmarks that the Fund has aimed to exceed over time.

### Performance<sup>1</sup>

(%)	Total Returns (post-fee)	(pre-fee)	Benchmark Return
1 month	1.54	1.62	1.85
3 months	5.43	5.68	6.56
6 months	4.22	4.71	5.17
1 year	10.18	11.23	13.31
2 years (p.a)	8.83	9.87	12.86
3 years (p.a)	9.05	10.09	12.67
5 years (p.a)	8.47	9.51	9.20
Since Inception (p.a)	7.39	8.45	-

Source: Pendal as at 30 June 2025

"Post-fee" returns assume reinvestment of distributions and is calculated using exit prices. "Pre-fee" returns exclude the effects of management costs and any taxes. Returns for periods greater than one year are annualised. Fund inception: October 1989

Past performance is not a reliable indicator of future performance.

### Asset Allocation (as at 30 June 2025)

Australian shares	27.3%
International shares	36.9%
Australian property securities	2.0%
International property securities	2.0%
Australian fixed interest	7.8%
International fixed interest	7.9%
Alternative investments	12.7%
Cash	3.5%

### Other Information

Fund size (as at 30 June 2025)	\$231 million
Date of inception	October 1989
Minimum investment	\$25,000
Buy-sell spread <sup>2</sup>	For the Fund's current buy-sell spread information, visit <a href="http://www.pendalgroup.com">www.pendalgroup.com</a>
Distribution frequency	Half-yearly
APIR code	RFA0815AU

<sup>2</sup> The buy-sell spread represents a contribution to the transaction costs incurred by the Fund, when the Fund is purchasing and selling assets. The buy-sell spread is generally incurred whenever you invest or withdraw funds, and may vary from time to time without notice.

### Fees and costs

You should refer to the latest Product Disclosure Statement for full details of the ongoing fees and costs that you may be charged.

Management fee <sup>3</sup>	0.95% pa
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<sup>3</sup> This is the fee we charge for managing the assets and overseeing the operations of the Fund. The management fee is deducted from the Fund's assets and reflected in its unit price.

## Market review

June was largely dominated by geopolitical headlines as Israel launched attacks on Iran, followed by US involvement, culminating in a cease-fire by the month's end.

The market largely shrugged off the conflict; oil prices spiked towards US\$75 a barrel, but declined again on de-escalation.

The equity market ploughed on, with the S&P/ASX 300 returning 1.4%.

There was further commentary on trade negotiations, with intimations that the US was nearing agreements with several key counterparts ahead of the 9th July deadline.

The Fed continued to take the view that there was no need to cut rates, preferring to keep their powder dry until there was greater clarity on the economic impact of tariffs.

There were indications that US consumer concerns about the impact of tariffs are receding.

In Australia, March quarter GDP data was weaker than consensus, but still reflects a slowing economy, rather than one facing recession. Inflation remains near the lower end of the RBA's target band and underpins expectations of two-to-three more rate cuts in 2025.

## Fund performance

The Pandal Active Balanced Fund delivered a return of 1.54% (post fee) vs a Benchmark return of 1.85%. Equities continued to deliver solid positive returns in June, especially global equities, these drove total returns for the fund. The fund underperformed slightly vs its benchmark driven by negative active returns in Global shares and Alternatives which was slightly offset by Australian equities outperformance.

There was a good mix of positive contributors in June, including energy (Santos (STO)), defensive consumer (Metcash (MTS)), data centres (NextDC (NXT)), fuel refining and distribution (Viva Energy (VEA)) and industrial conglomerate SGH (SGH).

In Global equities strong momentum in large cap tech names again saw our value strategies underperform the index, also detracting was our Emerging markets strategy, where our underweight South Korea which rallied 35%, and overweight Indonesia which fell 12% detracted from returns as did stock selection within Chinese consumer stocks.

Asset Allocation was a small positive contributor as an overweight in US equities gained, which was partially offset by a small underweight in Australian shares.

We continue to manage downside risks by maintaining little or no exposure to the most expensive parts of equity and credit markets and complementing this with option protection where it has been attractively priced to implement. These include put options on the S&P 500, call options on the GBP against the US dollar, USD calls versus the Hong Kong Dollar and a put option on the USD against the Japanese Yen.

## Outlook

The macroeconomic outlook and the uncertain path of inflation and monetary policy given changes to US trade policy represent a challenging backdrop for investors. We anticipate lower returns and elevated volatility from market cap benchmark reflecting high starting valuations and increasing concentration, but government bonds are offering less reliable diversification in the face of rising government debt, and elevated risk of sustained above-target core inflation.

For more information please call 1300 346 821,  
contact your key account manager or visit [pendalgroup.com](http://pendalgroup.com)

**PENDAL**

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PFSL is the responsible entity and issuer of units in the Pental Active Balanced Fund (Fund) ARSN: 088 251 496. A product disclosure statement (PDS) is available for the Fund and can be obtained by calling 1300 346 821 or visiting [www.pentalgroup.com](http://www.pentalgroup.com). The Target Market Determination (TMD) for the Fund is available at [www.pentalgroup.com/tdo](http://www.pentalgroup.com/tdo). You should obtain and consider the PDS and TMD before deciding whether to acquire, continue to hold or dispose of units in the Fund. An investment in the Fund is subject to investment risk, including possible delays in repayment of withdrawal proceeds and loss of income and principal invested.

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Performance figures are calculated in accordance with the Financial Services Council (FSC) standards. Where performance returns are quoted "Post fees" then this assumes reinvestment of distributions and is calculated using exit prices which take into account management costs but not tax you may pay as an investor. Where performance returns are quoted "Pre fees and tax", they exclude the effects of management costs and any taxes. Past performance is not a reliable indicator of future performance.

If market movements, cash flows or changes in the nature of an investment (e.g. a change in credit rating) cause the Fund to exceed any of the investment ranges or limits specified, this will be rectified by PFSL as soon as reasonably practicable after becoming aware of it. If PFSL does so, it will have no other obligations in relation to these circumstances. The procedures, investment ranges, benchmarks and limits specified are accurate as at the date of this factsheet and PFSL reserves the right to vary these from time to time.