

# ADVANCE DEFENSIVE YIELD MULTI-BLEND FUND

## Annual Fund Statement

As at 30 June 2018

FUND PERFORMANCE*	3 mths	6 mths	1 year	2 year	3 year	4 year	Since
	(%)	(%)	(%)	(% pa)	(% pa)	(% pa)	Incept
<b>Total return</b>	-0.49	0.01	1.15	2.29	1.85	2.04	2.67
<b>Benchmark return<sup>1</sup></b>	0.49	0.92	1.78	1.80	1.95	2.11	2.34

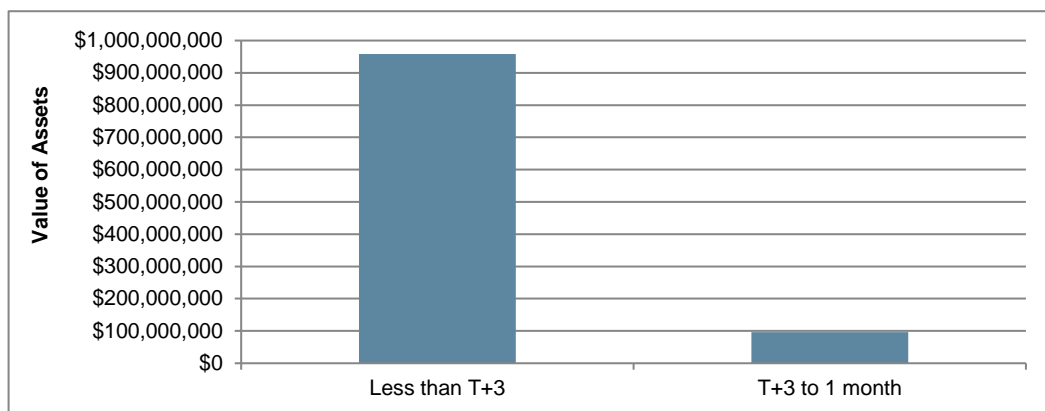
\* The Fund performance is net of fees.  
Inception date: 5 October 2012.  
<sup>1</sup> Benchmark: Bloomberg AusBond Bank Bill Index<sup>SM</sup>. Prior to the 29<sup>th</sup> September 2014, the index was called the UBS Bank Bill Index.

ACTUAL ASSET ALLOCATION BY SECTOR	Sector*	Fund (%)
	Australian corporate bonds	29.84
	International corporate bonds	20.01
	Australian government bonds	2.47
	International government bonds	5.60
	Exchange-traded derivatives	(16.25)
	OTC derivatives	(8.97)
	Cash equivalent investments	39.14
	Other (provide details if other)	28.16
	<b>Total</b>	<b>100.00</b>

\*Where a negative number is shown, this indicates the underlying investment managers have used derivatives to create the strategy.  
'Cash equivalent investments' includes cash and cash and cash-like instruments including Term Deposits and Discount Securities. Securities that have a legal maturity of 90 days or less are considered cash-like.  
Currency forwards are reported under 'OTC Derivatives'.  
'Other' includes securitised investments such as asset-backed, mortgage-backed securities and bank loans

## FUND LIQUIDITY PROFILE

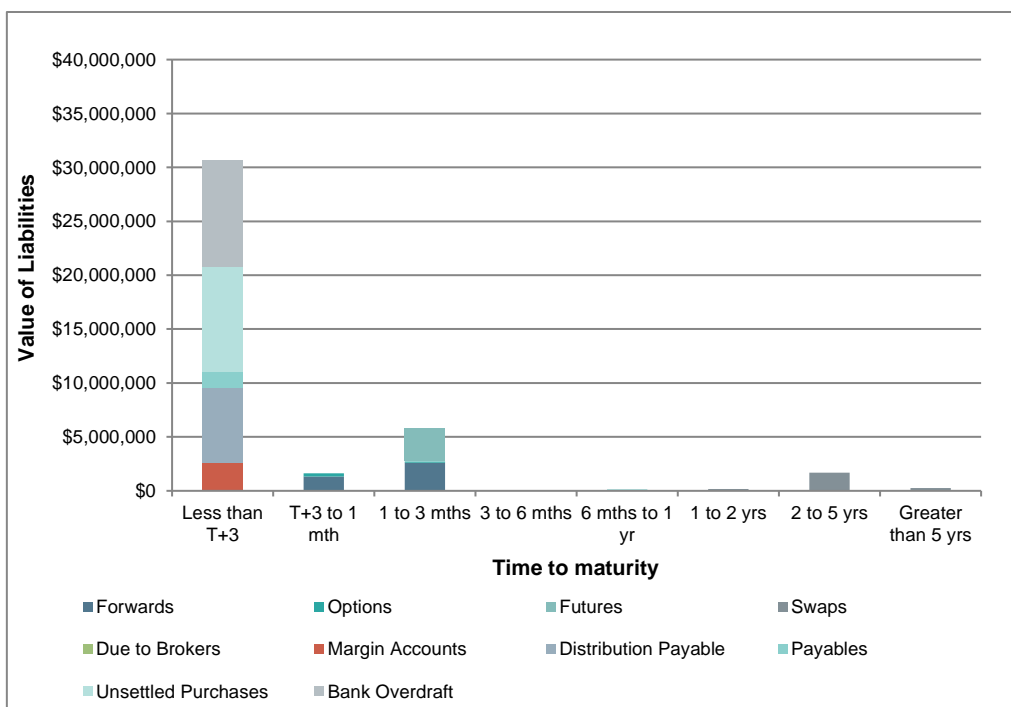
The following table provides a point-in-time estimation of the time required for the Fund to liquidate its underlying assets. Total gross assets of the Fund as at 30 June 2018 were \$1,055 million.



The assumed timeframe for liquidation of assets is predicated on prevailing market conditions being similar to those at the reporting date.

## FUND LIABILITY PROFILE

The following chart shows the composition of the Fund's liabilities as at 30 June 2018. Total gross liabilities of the Fund as at 30 June 2018 were \$40.296 million.



Swap arrangements can be matured at the 90 day reset rollover period. The graph above represents the full term of the swap arrangement.

The assumed timeframe for liquidation of assets is predicated on prevailing market conditions being similar to those at the reporting date.

## LEVERAGE RATIO

The Gross Leverage Ratio of the Fund as at 30 June 2018 was 276.57%<sup>1</sup>.

The Net Leverage Ratio of the Fund as at 30 June 2018 was 74.78%<sup>2</sup>.

<sup>1</sup>Gross Leverage is measured as the sum of the absolute value of the underlying derivatives exposures (long plus short positions) divided by the Ending Market Value.

<sup>2</sup>The Net Leverage is measured as the net of the underlying derivative exposures (long minus short positions) in the underlying strategies, divided by the Ending Market Value.

## CHANGES TO KEY SERVICE PROVIDERS

There have been no material changes in the key service providers of the Fund since the last report given to investors, nor has there been any change to any related party status.

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**ADVANCE**  
ASSET MANAGEMENT

The Fund is issued by Advance Asset Management Limited (Advance) ABN 98 002 538 329 AFSL No. 240902. This fact sheet contains general information only and does not take into account individual financial circumstances. Investors should consider the PDS and whether the Fund is appropriate to their circumstances, and seek professional advice before investing in the Fund. A Product Disclosure Statement (PDS) for the Fund is available at [www.advance.com.au](http://www.advance.com.au) or via 1800 819 935 or from your financial adviser. Financial advisers, please call 1300 361 864. Past performance is not a reliable indicator of future performance. Performance figures are calculated using withdrawal values and assume that income is reinvested. Annual management fees and expenses have been taken into account; however, no allowance has been made for entry fees, tax or any rebates that may be given. Advance is a member of the Westpac Group, which includes Westpac Banking Corporation ABN 33 007 457 141 ("Westpac"). An investment in the Fund does not represent an investment in, deposit with or other liability of Westpac or any other member of the Westpac Group. It is subject to investment risk, including possible delays in repayment and loss of income and principal invested. Neither Westpac nor any other member of the Westpac Group stands behind or otherwise guarantees the capital value of an investment in a Fund or the performance of a Fund. AD15233A-0714ms