

Diversified Fixed Interest option

31 December 2022

Invests in a wide range of Australian and international bonds and loans. This is done through actively investing in the fixed interest and credit asset class sectors. Aims for capital stability and higher returns than cash over the short to medium term.



Investment objective

To beat a composite of Australian and International Fixed Interest Indices over the short to medium term.

*The composite consists of 50% Bloomberg Global Aggregate 1-5 Year Total Return Index hedged to AUD and 50% Bloomberg AusBond Composite 0-5 Year Index. Index level returns, adjusted for implied superannuation tax (where applicable).

Performance

For period to 31 December 2022

	3 months	1 year	3 years (pa)	5 years (pa)	10 years (pa)	15 years (pa)	20 years (pa)	Since Inception (pa)	Inception date
Super and TTR Income	0.39%	-4.50%	-1.09%	0.69%	2.69%	4.44%	4.62%	4.96%	1/7/1999
Benchmark*	0.75%	-3.41%	-0.11%	0.85%	1.78%	2.61%	3.04%	3.38%	
Choice Income	0.36%	-5.32%	-1.28%	0.83%	3.09%	n/a	n/a	5.07%	1/1/2008
Benchmark*	0.89%	-4.01%	-0.36%	0.70%	1.70%	n/a	n/a	2.55%	

* 50% Bloomberg Global Aggregate 1-5 Year Total Return Index hedged to AUD and 50% Bloomberg AusBond Composite 0-5 Year Index, prior to 1 October 2021 CPI +0.5%, prior to 1 July 2015 CPI+1%, Prior to 1 July 2013 CPI + 1.5% Index level returns, adjusted for implied superannuation tax (where applicable).

Minimum investment timeframe is at least 3 years.

Risk level for the time invested

Short-term Under 5 years	Medium-term 5-20 years	Long-term Over 20 years
Medium	High	Very high

The Diversified Fixed Interest option has low volatility and can experience periods of moderate negative returns. The short-term risk label of medium for the Diversified Fixed Interest option is appropriate for the overall level of investment risk, however, the potential for a negative return is higher than it has been in the past due to historically low interest rates and the interest rate risk in the option.

Member assets (millions in AUD)

Super and TTR Income	Choice Income	Total
\$1,166.2	\$468.0	\$1,634.2

Credit allocation

Credit quality	Option weight
Investment grade	92.3%
Sub-investment grade	1.2%
Not rated	6.5%

Asset allocation

Asset class	Actual allocation	Strategic allocation	Strategic range
Fixed Interest	78.6%	96.5%	50-100%
Credit	0.0%	2.0%	0-25%
Cash	21.4%	1.5%	0-30%

Issuer allocation



Strategic allocation and range effective from 1 July 2022.

Investment fees and costs*

Financial year ending 30 June 2022

	Investment fees and costs (excluding performance fees)	Performance fee	Total investment fees and costs	Transaction costs
Super and TTR Income	0.34%	0.00%	0.34%	0.03%
Choice Income	0.37%	0.00%	0.37%	0.02%

* Calculated based on the actual Investment fees and costs (excluding performance fees) incurred for the year ended 30 June 2022 and are expressed as a ratio to the average value of all the assets in the investment option over the year. Performance fees are based on an average of the actual fees incurred over the last five financial years. Transaction costs are calculated based on the actual costs incurred for the year ended 30 June 2022 and are expressed as a ratio to the average value of all the assets in the investment option over the year. These fees and costs are variable and are likely to change from year to year. Visit australiansuper.com/fees for more details.

Investment managers

Manager	Option weight
AustralianSuper	58.2%
IFM	21.8%
Jamieson Coote	6.9%
Ardea	6.3%
Brandywine	3.6%
Putnam	1.7%
Western Asset Management	1.5%

Internal management

58% of the option is managed internally by AustralianSuper.

Geographic allocation

Region	Option weight
Australia	60.9%
North America	19.1%
Developed Europe Ex- UK	7.3%
Japan	8.2%
Emerging Market	1.3%
United Kingdom	3.2%
Developed Asia Ex- Japan	0.0%

Top 10 holdings[†]

Issuer name	Issuer type	Option weight
Commonwealth of Australia	Government	21.4%
United States of America	Government	18.5%
Japan	Government	9.1%
Cash and Derivatives	Corporate	7.1%
French Republic	Government	3.1%
Republic of Italy	Government	2.5%
Queensland Treasury	Semi Government	2.5%
Federal Republic of Germany	Government	2.3%
United Kingdom of Great Britain and Northern Ireland	Government	2.3%
New South Wales Treasury	Semi Government	2.3%



[†] For a full listing of investment holdings, go to australiansuper.com/what-we-invest-in



Find out more

Call **1300 300 273** (8am to 8pm AEST/AEDT weekdays)

Web australiansuper.com/investments



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For TTR Income accounts, the investment return is based on the crediting rate for super (accumulation) options. From 1 April 2020 to 2 September 2022 the crediting rate includes an administration fee of up to 0.04% pa that only applies to super (accumulation) accounts. TTR Income accounts will be adjusted to refund the administration fee deducted from investment returns. All TTR Income account administration fees are deducted from account balances. Asset allocations and other investment information are current as at the dates listed. Asset allocations, the composition of individual asset classes and other investment information may change from time to time. Asset allocation, currency exposure, holdings and investment manager data are for the Super option. Choice Income option may have small differences. A Target Market Determination (TMD) is a document that outlines the target market a product has been designed for. Find the TMDs at australiansuper.com/tmd