



Product Review

iShares Australian Bond Index Fund

ISSUE DATE 18-01-2024

Key information

FUND MANAGER	BLACKROCK INVESTMENT MANAGEMENT (AUSTRALIA) LIMITED
RESPONSIBLE ENTITY	BLACKROCK INVESTMENT MANAGEMENT (AUSTRALIA) LIMITED
APIR CODE	BGL0105AU
ASSET CLASS	FIXED INTEREST
SECTOR	AUSTRALIAN BONDS
SUB SECTOR	BETA - PASSIVE
INVESTMENT TYPE	MANAGED FUND
PDS OBJECTIVE	THE FUND AIMS TO PROVIDE INVESTORS WITH THE PERFORMANCE (BEFORE FEES AND EXPENSES) OF THE BLOOMBERG AUSBOND COMPOSITE 0+ YEAR INDEX
INDEX PROVIDER	BLOOMBERG
UNDERLYING INDEX	BLOOMBERG AUSBOND COMPOSITE 0+ YEAR INDEX
DERIVATIVE USE MAY BE USED TO MANAGE RISK AND RETURN (CANNOT BE USED TO LEVERAGE THE FUND)	
SECURITIES LENDING	YES (AT THE UNDERLYING FUND LEVEL)
FUND INCEPTION	NOVEMBER 2001
DISTRIBUTION FREQUENCY	QUARTERLY
FUND SIZE	\$1.02BN (DEC 23)

Fees & costs (% per annum)

MANAGEMENT FEES AND COSTS	0.2
PERFORMANCE FEE COSTS	0
NET TRANSACTION COSTS	0
NET OF BUY SPREAD / SELL SPREAD	0.05 / 0.05
ANNUAL FEES AND COSTS (PDS)	0.2

WHERE MANAGEMENT FEES & COSTS IS NULL "-" NO DATA HAS BEEN PROVIDED AND THE ANNUAL FEES & COSTS (PDS) CANNOT BE CALCULATED. REFER TO THE PDS FOR THE FEE INFORMATION.

What this Rating means

The **'Recommended Index'** rating indicates that Lonsec has strong conviction the financial product can generate risk adjusted returns in line with relevant objectives. The financial product is considered an appropriate entry point to this asset class or strategy.

Strengths

- BlackRock is a leading global manager of passive strategies, allowing investors to enjoy the benefits of their scale, experience, and resources.
- The Fund is of sufficient scale to offer broad Australian bond market diversification, achieved by indexing a widely used Australian fixed income market index.

Weaknesses

- The Underlying Index methodology and constituent details are property of Bloomberg and are not readily available to non-subscribers.
- The Manager does not regularly disclose the Fund's underlying portfolio, somewhat reducing the overall transparency compared to competitive peers.
- The Fund's fee structure is the highest within its peer group.

Fund Risk Characteristics

	LOW	MODERATE	HIGH
BUSINESS SUSTAINABILITY RISK	●		
CAPITAL VOLATILITY		●	
SECURITY CONCENTRATION RISK	●		
SECURITY LIQUIDITY RISK		●	
CREDIT RISK	●		
INTEREST RATE RISK		●	

Risk categories are based on Lonsec's qualitative opinion of the risks inherent in the financial product's asset class and the risks relative to other financial products in the relevant Lonsec sector universe.

BIOMetrics

Aggregated risks

	1	2	3	4	5	6	7
STD RISK MEASURE			●				

A Standard Risk Measure score of 3 equates to a Risk Label of 'Low to Medium' and an estimated number of negative annual returns over any 20 year period of 1 to less than 2. This is a measure of expected frequency (not magnitude) of capital losses, calculated in accordance with ASFA/FSC guidelines.

	LOW	MODERATE	HIGH
RISK TO INCOME		●	

ANALYST: NATHAN UMAPATHY | APPROVED BY: MICHAEL ELSWORTH

iShares Australian Bond Index Fund

Features and benefits

	LOW	MODERATE	HIGH
COMPLEXITY		●	
ESG		●	

Fee profile

	LOW	MODERATE	HIGH
FEES VS. UNIVERSE		●	
FEES VS. ASSET CLASS		●	
FEES VS. SUB-SECTOR			●

Fee BIometrics are a function of expected total fee as a percentage of expected total return.

What is this Fund?

- iShares by BlackRock ('the Manager') has adopted a passive investment strategy in managing the iShares Australian Bond Index Fund ('BGL0105AU' or 'the Fund'). The Fund tracks the Bloomberg AusBond Composite 0+ Year Index ('the Underlying Index'), a broad-based market capitalisation weighted index providing exposure to securities issued by the Commonwealth Government of Australia, State Government authorities, supranational and investment grade corporate issuers (including overseas borrowers issuing AUD denominated bonds). The Underlying Index has been developed by Bloomberg ('the Index Provider').
- The Manager has adopted a sampling approach to track the Underlying Index. Under this approach, the Fund will hold a representative basket of securities in order to match the risk profile of the Underlying Index closely. At the time of this review, the Fund's portfolio characteristics closely matched that of the Underlying Index. Lonsec notes that as the Fund is an unlisted product, detailed information regarding the portfolio's holdings and characteristics is unavailable.
- The Fund had an asset breakdown of 52% Australian government securities, 39% state government and 9% corporate. The Fund had a modified duration of 5.1 years and yield to maturity of 4.10%.
- The Fund's PDS, dated 25 October 2023, disclosed Annual Fees and Costs ('AFC') totaling 0.20% p.a. This value comprises solely of the management fee and costs. Lonsec notes this fee structure is high when considering the broader passive Australian fixed income universe.

Using this Fund

This is General Advice only and should be read in conjunction with the Disclaimer, Disclosure and Warning on the final page.

- Lonsec notes that the Manager has produced a Target Market Determination ('TMD') which forms part of the Responsible Entity's Design and Distribution Obligations for the Fund. Lonsec has collected the TMD that has been provided by the Manager and notes that this should be referred to for further details on the Target Market Summary, Description of the Target Market, and Review Triggers.
- The Fund is a 'long only', fixed income product and as such, will generally sit within the defensive component of a balanced portfolio.

- Fixed income funds are useful for investors seeking yields greater than cash or cash equivalents and those prepared to accept a low to moderate level of asset price volatility.
- Global and Australian fixed income funds typically perform better during periods of declining or stable interest rates and contracting or stable credit spreads.

Suggested Lonsec risk profile suitability

SECURE	DEFENSIVE	CONSERVATIVE	BALANCED	GROWTH	HIGH GROWTH
	●	●	●	●	

For guidance on appropriate asset allocations and risk profiles, refer to the latest Lonsec Strategic Asset Allocation Review and Risk Profile Definitions on our website.

Changes Since Previous Lonsec Review

- Lonsec notes there has been a compression in fees within the Australian Composite Bond sector, The Fund's AFC is the highest relative to the peer group.
- Lonsec notes there have been no significant changes to the investment team, investment process, or risk management process since the last review.

Lonsec Opinion of this Fund

People and resources

- BlackRock is a global leader in ETFs with over 1,100 iShares ETFs listed globally. Further, BlackRock also had US\$5.95 trillion of FUM invested across its suite of ETF and Index strategies as at September 2023. These funds are managed and brought to market by BlackRock, the largest asset management firm globally. BlackRock has significant scale and resources for effectively managing and structuring ETFs both in Australia and abroad and has a proven track record of successfully running index strategies.
- As the Fund aims to closely match the performance of its Underlying Index, there is considerable emphasis placed on process and automation which requires less investment staff than an actively managed process. The Fund is implemented by BlackRock's Australian Fixed Income portfolio team led by Craig Vardy, Head of Australian Fixed Income. The Fund also benefits from members of BlackRock's research team who are primarily dedicated to ongoing quantitative research, which focuses on the index methodology, the projection of index changes, and value-added trading strategies. Further, Lonsec notes that the portfolio construction is reasonably formulaic with stringent rules designed to ensure high credit quality and liquidity.
- Lonsec considers the team to be suitably experienced for this somewhat specialised style of management. Lonsec considers Vardy to be highly experienced and knowledgeable. The team currently has seven members (including Vardy) and is organised into four streams: Portfolio Management, Credit Research, Investment, and Product Strategy and Risk Management. The Portfolio Management team consists of four additional Portfolio Managers alongside Vardy.
- The Manager utilises BlackRock's Risk and Quantitative Analysis ('RQA') team for ongoing risk monitoring and reporting for the Fund. RQA is a separate unit with its own reporting lines. Lonsec considers RQA to have access to sophisticated risk

iShares Australian Bond Index Fund

ISSUE DATE 18-01-2024

monitoring tools which aid in providing the Fund with an effective risk management framework. The team also regularly meets with members of the RQA, with this interaction playing more of a risk reporting than a compliance role. RQA members do not have the power to veto investment decisions for the Fund.

- These teams are further supported by the wider operational staff across BlackRock as well as in-house credit research analysts and traders. The team continues to collaborate globally and utilise BlackRock's global presence. Lonsec believes this adds to both efficiency and scalability.
- The Underlying Index provider is Bloomberg, which is a globally significant and deeply experienced index provider. The Bloomberg AusBond Indices and Bloomberg NZBond Indices are generally considered the leading benchmarks for the fixed interest markets of Australia and New Zealand. Bloomberg has an extensive history of compiling data across global financial markets.

Investment approach

- Lonsec views the Bloomberg AusBond Composite Index 0+ Yr Index as the most widely accepted measure of broad-based Australian bond market performance and an effective way to gain exposure to securities issued by the Commonwealth Government of Australia, State Government authorities, supranational and investment grade corporate issuers (including overseas borrowers issuing AUD denominated bonds). Lonsec believes the screening process and methodology used to derive the Underlying Index is logical, with implementation provided by an experienced third-party index provider in Bloomberg.
- Lonsec also notes that each key characteristic closely matched that of the Underlying Index as of September 2023. Moreover, a 'sampling approach' is commonly adopted for similar passive fixed income funds. While Lonsec considers that the 'full replication' approach could better match the risk and return characteristics of the Underlying Index at the margins, Lonsec concedes that such an approach is not optimal from a cost-benefit perspective for most fixed income indices due to a lack of liquidity in some securities. Given this, Lonsec considers a sampling approach to be the most effective means of hedging a Fund's exposure to the risk profile of the Underlying Index while also minimising trading costs.
- Lonsec considers BlackRock's Aladdin risk management system to be impressive and notes that it allows stress testing for funds to be conducted in addition to the daily monitoring of the standard risk metrics for the Fund.

ESG Integration

- Lonsec's ESG integration assessment considers the rigour and structure of the ESG process for the Fund and how well it integrates into the investment process and the Manager's overall policy and reporting framework. The assessment is not intended to assess the underlying holdings of the Fund's portfolio or the Manager's adherence to any form of impact, green/sustainable, or ethical standards.
- ESG integration for index tracking portfolios is largely limited to stewardship and engagement

activities unless ESG considerations are clearly incorporated within the index. As such, for non-ESG driven indices, the ESG score provided by Lonsec is primarily an assessment of the overall ESG adoption, commitment, and policy framework implemented at the Manager level. Further, Lonsec notes that simple sector exclusions do not constitute the incorporation of ESG.

- At the corporate level Lonsec views the Manager's overall ESG policy framework and disclosure as ahead of peers. The Manager has an articulated commitment to the integration of ESG within their investment process with clear public positioning and evidence of a strong policy framework. The updated ESG policy and stewardship principles are freely available on the firm's website. The proxy voting policy and reporting on voting outcomes is stronger than peers with particular credit paid to the disclosure of voting rationale for controversial votes. The level of disclosure with respect to the Manager's engagement policies and outcomes is considered ahead of peers, particularly the firm's stewardship policies. Reporting on engagement outcomes is publicly available and the Manager is transparent about the engagement priorities, which focus on disclosure and climate change related issues.
- The Underlying Index used for this Fund has no basic filters applied and there is no integration of ESG factors in its construction.

Overall

- Lonsec has downgraded the Fund's rating to a '**Recommended Index**' rating as part of this review cycle. The catalyst for the downgrade is the compression in fees within the sector. Lonsec believes that the Fund's fees are considered to be high compared to its peer group. Lonsec also considers the transparency of the Fund to be lower than some competitors among the broader passive fixed income universe, noting that the Fund's underlying holdings are not publicly available.
- However, Lonsec views the offering as an efficient and liquid vehicle for investors to gain broad exposure to the Australian fixed income market. Lonsec also considers BlackRock to be well resourced in terms of personnel and systems and to be a leader in the passive investment space. The Fund also has a strong track record of closely replicating the returns of its Underlying Index.

ANALYST: NATHAN UNAPATHY | APPROVED BY: MICHAEL ELSWORTH

iShares Australian Bond Index Fund

ISSUE DATE 18-01-2024

People and Resources

BlackRock Inc. is a global asset management business with products that span active, enhanced, and index strategies across markets and asset classes. As at September 2023, BlackRock Inc. managed approximately US\$9.1 trillion. Products are offered in a variety of structures including separate accounts, mutual funds, other pooled investment vehicles, and iShares ETFs. BlackRock Inc is publicly listed on the New York Stock Exchange (NYSE) and the Company has a majority of independent directors. BlackRock Investment Management (Australia) Limited ('BlackRock') is a wholly-owned subsidiary of BlackRock Inc. BlackRock is the Investment Manager and Responsible Entity of the Funds. As at 30 September 2023, BlackRock Australia had FUM of \$207.48 billion.

Size and experience

NAME	POSITION	EXPERIENCE INDUSTRY / FIRM
CRAIG VARDY	HEAD OF AUSTRALIAN FIXED INCOME	37 / 32
PAVEL POSPISIL	PORTFOLIO MANAGER	23 / 21
DMITRI LEVACHOV	PORTFOLIO MANAGER	16 / 11

As the Fund aims to closely match the performance of its Underlying Index, a considerable emphasis is placed on process and automation which requires fewer staff to maintain the portfolio than a comparable actively managed process. Notwithstanding, the portfolio management team is at a reasonable size and can leverage resources from the wider organisation in the form of credit research, risk management and investment, and product strategy.

The BlackRock Australian Fixed Income team is based in Sydney and has remained relatively stable in recent years. Craig Vardy continues to oversee the investment team for all domestic strategies. The BlackRock Australian Fixed Income team also has support in the form of a dedicated credit research analyst.

Investment Approach

Overview

BlackRock employs a passive investment strategy designed to closely track the performance of the Underlying Index, before fees and expenses. The Manager uses 'stratified sampling' to achieve the risk/return characteristics of the Underlying Index. Stratified sampling is an indexing strategy that involves investing in a representative sample of securities that collectively have an investment profile similar to that of the Underlying Index. The securities selected are expected to have aggregate investment characteristics such as duration, maturity, credit ratings, yield, and liquidity similar to those of the Underlying Index.

Lonsec believes that stratified sampling is the most appropriate investment strategy to track the performance of the Underlying Index as it takes into account liquidity, transaction cost impact, and overall risk. Stratified sampling involves choosing a subset of index eligible securities to create a portfolio that behaves like an index. In many cases, holding every security in an index is not cost-effective as illiquid or thinly traded securities incur higher transaction costs and wider

bid / ask spreads. Investing in a subset of securities that combine to match the overall risk profile of an index as it saves a fund from incurring unnecessary trading costs which can detract from total returns. A stratified sampling approach is usually accomplished by dividing the index into strata or "cells" along some of the more common fixed income security attributes such as maturity, sector, and credit quality. Securities are then chosen that have similar risk and return characteristics that replicate each of the cells and in units consistent with index exposures.

Securities Lending

The Manager can lend the securities in the Fund and Lonsec believes BlackRock appears to have satisfactory securities lending guidelines in place to manage counterparty risk. The counterparty risk associated with the lending of securities is fully indemnified by the Fund's custodian managing the securities lending program.

Underlying index

The Bloomberg AusBond Composite 0+ Year Index is a widely used fixed income index provided by Bloomberg, designed to provide investors with the performance of the broader Australian bond market. This includes exposure to the Australian Treasury and semi-government entities, and investment grade supranational, sovereign, and corporate entities (issuing AUD denominated securities).

Debt securities that are included in the Underlying Index are selected by Bloomberg based on the following eligibility criteria:

- Have a minimum credit rating of investment grade (BBB- or above);
- If any debt securities fall below that minimum quality threshold, then these must be removed from the Underlying Index at the next rebalance date;
- Must be denominated in Australian dollars (even though the underlying issuer may not be Australian domiciled);
- Must have at least 1 month to maturity and be governed by the law of the Commonwealth of Australia; and
- Must be issued in a minimum issue size of \$100 million.

The Index Provider has deemed that certain debt securities are not suitable and will be permanently excluded from the Underlying Index. These include:

- Convertible notes, zero coupon notes, private placements, collateralised debt obligations, collateralised bond obligations and collateralised fund obligations, synthetic securitisations, hybrid capital securities, and perpetual securities.

The securities are weighted based on their gross market capitalisation and these proportions are rebalanced monthly.

Credit quality ratings on securities are received from S&P, Moody's, and Fitch and converted to the equivalent S&P major rating category. This breakdown is provided by BlackRock and takes the median rating of the three agencies. When all three agencies rate a security, the lower two ratings are adopted whereas if only two agencies rate a security then the lowest single rating is adopted.

ANALYST: NATHAN UMAPATHY | APPROVED BY: MICHAEL ELSWORTH

iShares Australian Bond Index Fund

ISSUE DATE 18-01-2024

INDEX METRIC	DATA
INDEX PROVIDER / OWNER	BLOOMBERG
MINIMUM ISSUE SIZE	\$100M
MATURITY	MINIMUM ONE MONTH
COUPON	FIXED COUPON ONLY WITH NO DEFERRAL OPTION
MINIMUM RATINGS	INVESTMENT GRADE ONLY (>=BBB-/BAA3)

Transparency

The rules dictating the constitution of the Underlying Index and its constituents are the property of Bloomberg and are not publicly available without a subscription. Additionally, the Manager does not disclose the holdings of the Fund, reducing the overall transparency of the Fund relative to many other passive products. Lonsec notes that bond indices tend to be both less transparent and accessible to end-investors when compared with equity market indices, as are unlisted funds relative to their ETF counterparts.

Liquidity

The Fund is invested in via application/redemption, which is a simple online and paper process. Relative to the same ETF class offerings this is a slight disadvantage as applications and redemptions can take more time compared to buying/selling listed ETFs. Redemptions are normally processed within three business days of receipt of the redemption request, in line with peers, compared to T+2 for ASX ETFs.

As of December 2023, the Fund had \$1.02bn in FUM which is amongst the largest within the passive Australian fixed income market. The Fund's holdings are predominantly invested in liquid government and semi-government securities, with a smaller allocation to investment grade corporates and supranationals. During normal market conditions, liquidity for these securities is typically not of concern, however, during periods of heightened volatility and market dislocation, liquidity has the potential to deteriorate.

Fees and Indirect Costs

Lonsec considers the Fund's AFC to be at the higher end when compared to its peer group of unlisted broad-based Australian fixed income funds.

Lonsec notes that the Fund's average bid / ask spread of 0.10% over the 12 months to September 2023 is lower than peers. The bid / ask spread for an ETF represents the average daily spread over a one-year period but may not reflect the actual spread incurred, while the bid / ask spread on an index fund is fixed.

Fee comparison

FUND NAME	AFC (% P.A.)	AVERAGE BID/ASK SPREAD (%) P.A.)
ISHARES AUSTRALIAN BOND INDEX FUND (BGL0105AU)	0.20	0.05 / 0.05
VANGUARD AUSTRALIAN FIXED INTEREST INDEX FUND (VAN0001AU)	0.19	0.08 / 0.08
CFS INDEX AUSTRALIAN BOND - CLASS A (FSF8668AU)	0.13	0.10 / 0.10
ISHARES WHOLESALE AUSTRALIAN BOND INDEX FUND (CLASS S) (BLK1402AU)	0.12	0.05 / 0.05

Source: For unlisted funds, various fund manager PDS documents.

Performance

The Fund commenced in November 2001 and has a long and established track record in tracking the Underlying Index. The Fund delivered an excess return (after fees) of -0.14% p.a. and a tracking error of 0.12% p.a. for the five-year period to November 2023. Similarly, the Fund delivered an excess return of -0.14% and a tracking error of 0.03% for the one-year period to November 2023. This indicates the Fund has been able to consistently minimise deviance from its Underlying Index effectively, with most of the difference in returns between the Fund and the Underlying Index due to the Fund's fee structure.

On an absolute basis, the Fund delivered a total return (after fees) of 0.06% and 0.27% p.a. over the same one and five-year period that ended November 2023. Lonsec remains comfortable that the Fund has met its investment objectives.

Risks

An investment in the Fund carries a number of standard investment risks associated with investment markets. These include economic, political, legal, tax, and regulatory risks. These and other risks are outlined in the relevant Product Disclosure Statement and should be read in full and understood by investors. Lonsec considers the major risks to be:

Tracking error risk

BlackRock seeks to minimise the tracking error against the index the Fund aims to track. There is no guarantee that this objective will be met.

Performance risk

The value of, and returns from, an investment in the Fund will depend upon the performance of the Underlying Index. There is no guarantee the value of an investment in the Fund will increase.

Interest rate risk

Changes in interest rates may have a direct impact (positive or negative) on the Fund's returns.

Credit risk

Investors are exposed to the creditworthiness of the institutions the Fund invests in.

Further information

Further information can be obtained by calling BlackRock on 1300 474 273 or visiting: www.blackrock.com/au/individual/ishares

ANALYST: NATHAN UMAPATHY | APPROVED BY: MICHAEL ELSWORTH

iShares Australian Bond Index Fund

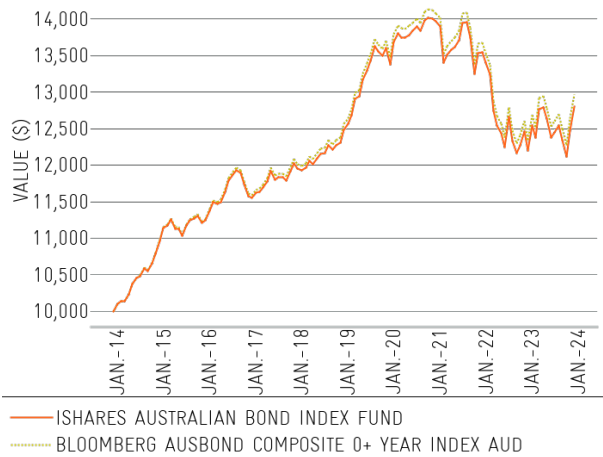
ISSUE DATE 18-01-2024

Quantitative Performance Analysis - annualised after-fee % returns (at 31-12-2023)

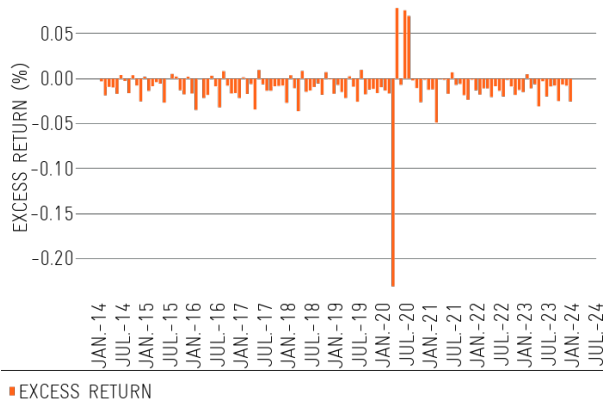
Performance metrics	1 YR	3 YR	5 YR	10 YR
TOTAL RETURN (% PA)	4.90	-2.84	0.50	2.50
STANDARD DEVIATION (% PA)	7.02	6.72	5.65	4.40
EXCESS RETURN (% PA)	-0.16	-0.15	-0.14	-0.13
WORST DRAWDOWN (%)	-5.26	-13.23	-13.58	-13.58
TIME TO RECOVERY (MTHS)	2	NR	NR	NR
TRACKING ERROR (% PA)	0.04	0.04	0.12	0.09

PRODUCT: ISHARES AUSTRALIAN BOND INDEX FUND
PRODUCT BENCHMARK: BLOOMBERG AUSBOND COMPOSITE 0+ YEAR INDEX AUD
TIME TO RECOVERY: NR - NOT RECOVERED, DASH - NO DRAWDOWN DURING PERIOD

Growth of \$10,000 over 10 years



Monthly excess returns over 10 years



ANALYST: NATHAN UMAPATHY | APPROVED BY: MICHAEL ELSWORTH

iShares Australian Bond Index Fund

Glossary

[Click here for the glossary of terms.](#)

About Lonsec

Lonsec Research Pty Ltd (Lonsec) is an investment research house with specialist areas of expertise, that was originally established in 1994 and the current entity was registered on 23 June 2011. From 1 July 2011, Lonsec became a fully owned subsidiary of Lonsec Fiscal Holdings Pty Ltd, a privately owned entity with a multi-brand strategy of providing leading financial services research and investment execution. Lonsec believes that professional financial advisers need informed opinions on the best investment strategies and financial products to provide real value for their clients. To meet this need, Lonsec has in place an experienced research team, which draws on a robust research process to undertake in-depth assessment of managed fund products.

Analyst Disclosure and Certification

Analyst remuneration is not linked to the research or rating outcome. Where financial products are mentioned, the Analyst(s) may hold the financial product(s) referred to in this document, but Lonsec considers such holdings not to be sufficiently material to compromise the rating or advice. Analyst holdings may change during the life of this document. The Analyst(s) certify that the views expressed in this document accurately reflect their personal, professional opinion about the matters and financial product(s) to which this document refers.

LONGSEC STRONGLY RECOMMENDS THIS DOCUMENT BE READ IN CONJUNCTION WITH THE RELEVANT PRODUCT DISCLOSURE STATEMENT. IMPORTANT NOTICE: Issued by Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421 445 (Lonsec). Lonsec receives a fee from the fund manager or financial product issuer(s) for researching the financial product(s), using objective criteria and for services including research subscriptions. Lonsec's fee is not linked to the rating(s) outcome. Lonsec Investment Solutions Pty Ltd ABN 95 608 837 583 CAR (CAR: 001236821) of Lonsec receives fees under separate arrangement for providing investment consulting advice to clients, which includes model portfolios, approved product lists and other financial advice and may receive fees from this fund manager or financial product issuer for providing investment consulting services. Refer to the Conflicts of Interest Statement at: [Lonsec.com.au/important-documents](https://lonsec.com.au/important-documents) Lonsec does not hold the financial product(s) referred to in this document. Lonsec's representatives and/or their associates may hold the financial product(s) referred to in this document, but details of these holdings are not known to the Analyst(s). **Warnings:** In line with industry practice returns may be estimated, to access verified returns please refer to the product provider. Past performance is not a reliable indicator of future performance. Any advice is General Advice based on the investment merits of the financial product(s) alone, without considering the investment objectives, financial situation and particular needs of any particular person. It is not a recommendation to purchase, redeem or sell the relevant financial product(s). Before making an investment decision the reader must consider his or her financial circumstances or seek personal financial advice on its appropriateness. Read the Product Disclosure Statement for each financial product before making any decision about whether to acquire a financial product. Lonsec's research process relies upon the participation of the fund manager or financial product issuer(s). Should the fund manager or financial product issuer(s) no longer participate in Lonsec's research process, Lonsec reserves the right to withdraw the document at any time and discontinue future coverage. The product rated in this publication may have related financial products or be associated with other financial products and platforms. The rating may only be applied to the financial product outlined in this publication at first instance, seek professional advice before you make an investment decision on related or associated financial products and platforms. You should be aware that the mandate, fees, underlying investments, the issuers of the related and associated financial products and platforms may be different from the financial product specified in this publication. **Disclaimer:** This document is for the exclusive use of the person to whom it is provided by Lonsec and must not be used or relied upon by any other person. No representation, warranty or undertaking is given or made in relation to the accuracy or completeness of the information presented in this document, which is drawn from public information not verified by Lonsec. Financial conclusions, ratings and advice are reasonably held at the time of completion but subject to change without notice. Lonsec assumes no obligation to update this document following publication. Except for any liability which cannot be excluded, Lonsec, its directors, officers, employees and agents disclaim all liability for any error or inaccuracy in, misstatement or omission from, this document or any loss or damage suffered by the reader or any other person as a consequence of relying upon it. ©2024 Lonsec. All rights reserved. This report may also contain third party material that is subject to copyright. To the extent that copyright subsists in a third party it remains with the original owner and permission may be required to reuse the material. Any unauthorised reproduction of this information is prohibited.