

ADVANCE ASIAN SHARES MULTI-BLEND FUND

As at 30 September 2017

FUND PERFORMANCE*	3 months (%)	1 year (%)	2 years (% pa)	3 years (% pa)	5 years (% pa)
Growth return	5.08	12.32	11.13	5.77	9.21
Distribution return	0.00	12.11	6.52	10.44	6.75
Total return	5.08	24.44	17.64	16.21	15.96
Benchmark return	4.23	19.65	13.26	11.88	13.67

MSCI AC Asia ex-Japan Index in AUD

FUND UPDATE

The Advance Asian Shares Multi-Blend Fund outperformed its benchmark over the September quarter. Despite an underweight to China, which was Asia's strongest performer over the period, strong underlying stock selection in the Fund drove positive relative performance.

Wellington generated strong outperformance relative to the benchmark, driven largely by positive stock selection in the IT sector and China. TT generated positive absolute performance over the period, however, marginally lagged the benchmark.

Relative outperformance was driven by strong stock selection in IT and Property Trusts, which were some of the strongest performing sectors of the quarter. Pleasingly, strong stock selection in Consumer Staples was also a strong contributor to the Fund's relative outperformance, despite the sector being one of the weakest performers over the quarter. From a country perspective, the strongest positive contributors to relative performance were Taiwan, China, Korea and India. At a stock level, the largest contributors to relative outperformance were Chinese names. The Fund's overweight to Alibaba continues to be the strongest positive contributor to outperformance, with SINA Corp and Sunny Optical Technology also contributing significantly over the quarter.

TT marginally underperformed the benchmark over the quarter, detracting from performance. From a sector perspective, the Materials and Energy sectors experienced strong returns over the period, however, the Fund's underweight to the sectors detracted from relative performance. Meanwhile, at a country level, overweight positions to Indonesia and Pakistan which fell strongly over the quarter, were the largest detractors to performance.

ACTUAL ASSET
ALLOCATION BY
SECTOR~

	Fund (%)	Benchmark (%)
Energy	2.77	4.16
Materials	3.51	4.54
Industrials	9.46	7.13
Consumer Discretionary	10.99	9.39
Consumer Staples	6.33	4.28
Health Care	0.68	2.10
Information Technology	34.09	31.98
Telecommunication Services	0.64	4.47
Utilities	0.46	2.98
Property Trusts	4.57	6.10
Financial-x-Property Trusts	24.58	22.86
Derivatives & Other	0.52	0.00
Cash	1.39	0.00
Total	100.00	100.00

ACTUAL ASSET
ALLOCATION BY
COUNTRY~

	Fund (%)	Benchmark (%)
China	31.01	34.37
Hong Kong	8.51	11.53
India	18.42	9.78
Indonesia	3.34	2.64
Korea	13.52	17.41
Malaysia	1.22	2.65
Philippines	1.91	1.31
Singapore	0.00	4.23
Taiwan	13.82	13.38
Thailand	1.23	2.59
Vietnam	0.78	0.00
Cash, Currency, Derivatives & Other	6.23	0.12
Total	100.00	100.00

MARKET COMMENTARY

The major developed economies began to show the first signs of synchronised growth since the GFC with the Fed announcing plans to reduce balance sheets in October and continue on their intended path of interest rises and positive macroeconomic data increasing the market's expectation for the ECB to progress towards normalised monetary policy.

The positive rally in global equity market returns persisted through the third quarter despite increase political tensions arising from North Korea. Emerging market equities, including Asia, outperformed the developed markets. Returns from China were particularly strong with robust macroeconomic and corporate earnings data supporting positive sentiment. Towards the end of the quarter, the PBoC announced targeted easing measures for smaller enterprises which confirms continued support for economic activity. Pakistan was the worst performing market of the quarter; a strong sell off was spurred by the ousting of former Prime Minister Sharif on allegations of corruption in July and continued to fall given the ongoing concerns about the political environment.

TOP 10 HOLDINGS

	Fund (%)	Benchmark (%)
Alibaba Group Holding Ltd.	7.06	4.56
Taiwan Semiconductor Manufacturing Co., Ltd.	5.27	4.08
Tencent Holdings Ltd.	4.95	5.68
AIA Group Limited	4.25	2.07
Samsung Electronics Co., Ltd.	4.05	5.83
China Construction Bank Corporation	2.53	1.62
China Pacific Insurance (Group) Co., Ltd.	2.46	0.26
SINA Corp.	1.72	0.15
Techtronic Industries Co., Ltd.	1.54	0.17
LG Corp	1.50	0.15

INVESTMENT OBJECTIVE

To provide investors with a total return (before fees and taxes) that outperforms the benchmark over periods of five years or longer.

BENEFITS OF INVESTING IN THE FUND

The Advance Asian Shares Multi-Blend Fund is ideal for investors seeking to benefit from manager and strategy diversification through a multi-manager approach using Asian-based investment managers. A multi-manager structure is ideally suited to managing the higher market volatility and style-biased investment manager universe within the Asian region.

KEY FEATURES

	Wholesale	Retail
Total assets (AUD millions)	\$241.15	
Date established	May 2004	May 2004
Distribution frequency	Annually	Annually
Minimum investment ¹	\$5,000 (\$1,500 for Regular Savings Plan)	\$1,500 (\$1,000 for Regular Savings Plan)
Minimum withdrawal	\$1,500	\$500
Withdrawal period	5 business days	5 business days
Entry fee ²	Nil	4.10% maximum
Management costs ^{2,3}	1.25% pa	1.25% pa
Regular Savings Plan ¹	Yes	Yes
Regular Withdrawal Plan ¹	Yes	Yes
Distribution reinvestment	Yes	Yes
Buy/sell spread (%) ³	0.45/ 0.45	0.45/ 0.45
Exit fee	Nil	Nil

¹ Refer to the Product Disclosure Statement for further information.

² Includes the effect of GST (net of RITC).

³ The Management Costs and buy-sell spread included in this fact sheet do not include the impact of RG 97 enhanced fees and costs disclosures and you should refer to the Product Disclosure Statement for further information.

* The Fund performance is net of management costs and relates to the wholesale class of investment only. If you are an investor in the retail class of investment, you can obtain up to date returns at advance.com.au

- Allocations may not equal 100% due to rounding.

Advance Asset Management, GPO Box B87, Perth WA 6838

Client Services 1800 819 935 Adviser Services 1300 361 864 Fax (02) 9274 5211

advance.com.au

ADVANCE
ASSET MANAGEMENT

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