ALLAN GRAY
CONTRARIAN INVESTING

PERFORMANCE-DRIVEN WITH THE FLEXIBILITY CLIENTS NEED

ALLAN GRAY AUSTRALIA BALANCED FUND

To achieve returns that exceed inflation over time, investors need to be invested in growth assets. However, we also understand it's not easy for some clients to remain invested during periods of market volatility. Designed to leverage our contrarian approach, the Allan Gray Australia Balanced Fund combines the performance your clients are looking for with the ability to go against the consensus that they need to drive results.

WHY CHOOSE THE ALLAN GRAY AUSTRALIA BALANCED FUND?

PERFORMANCE DRIVEN WITH THE FLEXIBILITY TO ADAPT

Balanced funds usually offer a broad investment mix to reduce risk. We do too – but we're more focused on performance, as it's long-term returns that grow an investor's wealth. That's why our Fund is not restricted to particular global markets or industries.

We can also vary its exposure to different asset classes depending on where we find value, the potential for capital growth and income, and risk of loss. It's this flexibility to adapt to changing market conditions that helps us drive long-term returns while reducing the impact of major market falls. It's about having the right investments at the right time.

TIME-TESTED CONTRARIAN INVESTMENT PHILOSOPHY

Going against human instinct and taking a contrarian approach to investing is not for everyone. It takes true discipline and commitment in your convictions. Allan Gray Australia and Orbis Investments were both founded by Dr Allan Gray and share the same investment philosophy the broader group has used for over 45 years. Our long-term results speak for themselves.

BETTER RETURNS REQUIRE A STRONG FOUNDATION

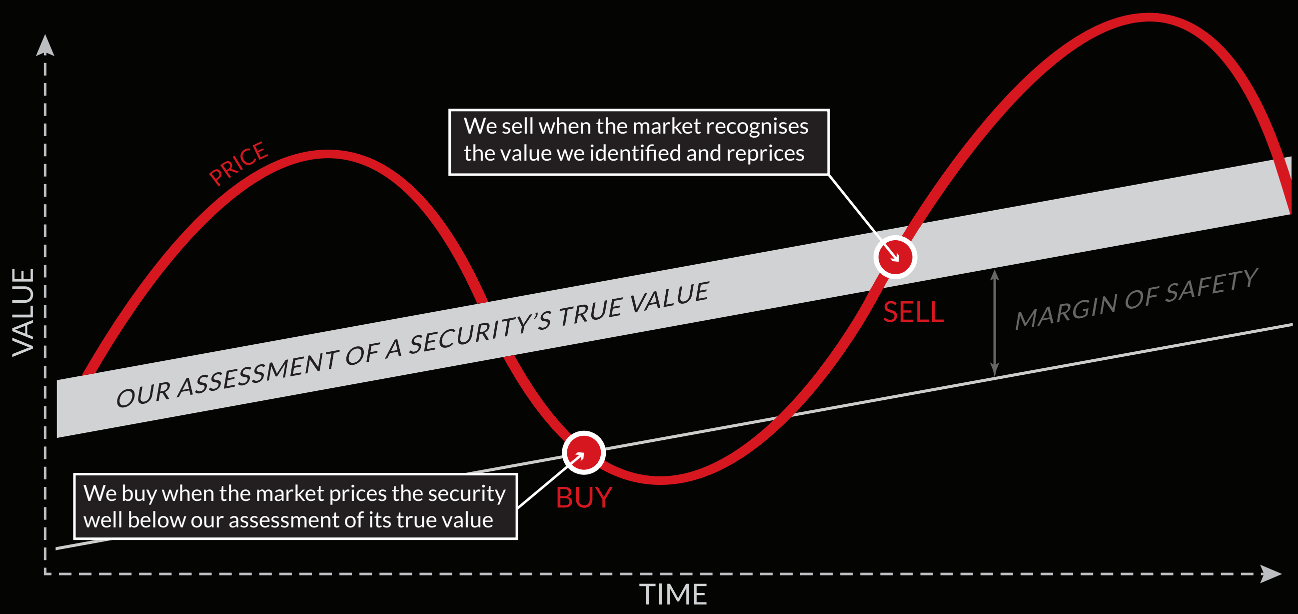
We do not believe balanced funds should begin with the opinions of an economist who attempts to predict the future by taking a broad macroeconomic view of the world. Whilst this often makes for great conversations, attempting to predict the future is fraught with danger. We believe that in order to generate higher long-term returns you must buy the right assets at the right price.

Prioritising our long-term view in our fundamental analysis itself gives us a competitive edge that allows us to deliver better outcomes for investors. We focus on understanding an asset's underlying intrinsic value, the drivers that determine this, and the gap between this value and the price you can buy it for. This gap – known as a margin of safety – serves to reduce investor risk and generate long-term returns.

GLOBAL EXPERTISE IN MANAGING BALANCED PORTFOLIOS

Since 1999, Allan Gray in South Africa has been successfully managing balanced portfolios, which we brought to the Australian market with the launch of the Allan Gray Australia Balanced Fund in 2017. This Fund combines Allan Gray Australia's domestic specialisation with Orbis Investment's global markets expertise.

INVESTMENT PHILOSOPHY



HOW CAN I USE THE FUND?

A COST-EFFECTIVE TOTAL SOLUTION

The Allan Gray Australia Balanced Fund can be considered as a total portfolio solution. You can set and forget, knowing our team is constantly monitoring the Fund on an individual stock and security level as well as the asset class level and have the flexibility to move as the market changes.

AS THE CORE IN A TOTAL PORTFOLIO

As part of a core-satellite investment approach, you can choose the Allan Gray Australia Balanced Fund as the foundation of your client's portfolio.

TO HELP WITH BEHAVIOURAL COACHING

We know clients should have exposure to shares, but some are worried about market fluctuations. Many studies have found that poor investor returns can be a result of clients' own psychological behaviour, with investors who fear market movements jumping in and out of investments at invariably the wrong time. With the Allan Gray Australia Balanced Fund, your clients will have exposure to the share market while accessing a de-risk strategy within the one Fund.

Combining bottom-up analysis with generous flexibility

FEATURES AT A GLANCE

For investors who wish to invest in a performance-driven balanced strategy that provides an opportunity for capital growth and income from a diversified portfolio of shares, fixed income and commodity investments from Australia and overseas.

APIR code:	ETL4654AU
ASX mFund code:	AQY03
Management costs:	Base fee of 0.75% p.a. plus performance fee
Buy/sell spread:	0.20%/0.20%
Distribution frequency:	Annual
Inception date:	1 March 2017
Investment philosophy:	Contrarian. We believe that investing in undervalued shares and securities identified through fundamental research offers the potential for strong returns over the long term.

GLOBAL/AUSTRALIAN ALLOCATION

Generally: 60% Australian/40% global

When there are fewer opportunities in Australia or global markets become more attractive, the Fund may become more heavily weighted towards global assets and vice versa.

ASSET CLASS ALLOCATION

The Fund has the ability to take advantage of market movements with wide ranges for investment. The Fund does not have industrial or market sector investment targets, however it is anticipated that the Fund portfolio will hold:

40-90% in equities
10-50% in fixed income
0-10% in commodity-linked instruments

HELP YOUR CLIENTS ACCESS PERFORMANCE WITH FLEXIBILITY

For more on how the Allan Gray Australia Balanced Fund could offer your clients more, visit allangray.com.au/balancedfund, call our Relationship Manager team on 1300 604 604 or email clientservices@allangray.com.au

CLIENT SERVICES

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