

# Easy Choice Options

Capital Stable Fund APIR Code IOF0009AU

Fund features	
Inception date	September 1994
Fund size	\$52.56m
Investment manager	Perennial Investment Partners Ltd (Perennial) <sup>1</sup>
Minimum investment horizon	3 years
Risk/return profile	Low to medium

## Investment objective

To achieve a relatively high level of capital stability and moderate capital growth over the medium to long term, and provide a total return higher than the return of its benchmark<sup>2</sup> by investing in a range of investments across the major asset classes.

## Investment strategy

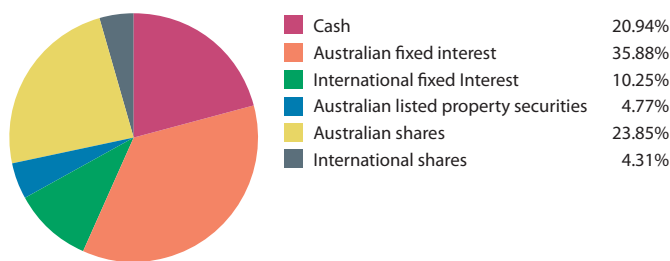
The IOOF WealthBuilder Capital Stable Fund ('Fund') invests in a broad range of investments including Australian and international shares and fixed interest securities, Australian listed property securities and cash<sup>3</sup>.

Due to the capital protection objective of the Fund, it has a greater weighting to defensive income-producing assets such as fixed interest and cash, and a lesser weighting toward more volatile growth assets such as shares and property.

The Fund is authorised to utilise approved derivative instruments, subject to the specific restriction that derivative instruments cannot be used to establish asset allocation positions outside the approved ranges or to gear portfolio exposure. When used for investment purposes, no more than 30% of the Fund can be exposed to derivative instruments as determined by their market equivalent exposure.

The Fund does not hedge against foreign exchange movements, although the underlying IOOF Group unit trusts in which the Fund invests may do so.

## Actual asset allocation



Strategic asset allocation and manager weightings <sup>4</sup>			
Asset class	Asset allocation range	Target allocation	Underlying manager/fund
Cash	10-40%	25%	Perennial Cash Enhanced
Australian fixed interest	20-50%	35%	Perennial Fixed Interest
International fixed interest	10%	10%	Perennial Western Asset Management Global Bond
Australian listed property securities	5%	5%	Perennial Australian Property
Australian shares	15-25%	20%	Perennial Value Shares (10%) Perennial Growth Shares (10%)
International shares	5%	5%	Perennial International Shares

<sup>1</sup> Perennial Investment Partners Limited ABN 59 087 901 620, AFS Licence No. 238763 and its contracted entities and subsidiaries (Perennial) is the investment manager of the Perennial Wholesale Trusts and Perennial Institutional Trusts in which this Fund currently invests.

<sup>2</sup> Composite benchmark. For more information on the benchmarks used for each asset class, please refer to the IOOF WealthBuilder Product Disclosure Statement (PDS) and any Supplementary PDS.

<sup>3</sup> For reasons of investment efficiency, the Fund may gain its exposure to each sector through direct or indirect investment in other IOOF Group unit trusts and/or through direct investment holdings.

<sup>4</sup> Actual underlying fund and manager allocations are subject to change and may vary from the above from time to time.



## The Best of Boutique

The Fund invests in a range of income and growth asset classes, each managed by Perennial's suite of specialist investment management boutiques, including:

- Perennial Value;
- Perennial Growth;
- Perennial International;
- Perennial Real Estate; and
- Perennial Fixed Interest

All Perennial boutiques offer a bottom up approach when selecting securities.

### Australian shares

Perennial Value and Perennial Growth jointly manage the Australian shares portfolio, providing diversification benefits from a unique blend of value and growth stocks. The Value Australian Shares portfolio invests in Australian listed companies that are well managed and whose share price offers good value, while the Growth Australian Shares portfolio uses a growth style investment process to identify stocks offering superior and sustainable capital growth prospects.

### International shares

The international shares investment process is based on sourcing companies which offer both good value and growth characteristics. The portfolio invests in the US, UK, European, Japanese and Asian equity markets.

### Australian listed property securities

Property exposure may provide long term capital growth and diversification benefits. The portfolio invests in property securities from Australian property markets, including but not exclusive to, commercial and retail markets.

### Australian fixed interest

Perennial's approach to investing in the Australian fixed interest market focuses on valuing the medium term economic and market fundamentals using a disciplined decision-making framework. The portfolio invests in quality Australian Government, Semi-Government and corporate debt market securities.

### International fixed interest

The portfolio offers the opportunity for investors to access the major international bond classes across the world. These include Government and Semi-Government, corporate, mortgage-backed, asset-backed bonds and inflation linked securities. Exposure may include high yielding and emerging market debt securities from time to time to improve diversification benefits.

### Cash and short term securities

Cash exposure provides liquidity and capital protection benefits. The cash holdings of the portfolio are generally low to moderate reflecting the capital stable and lower risk nature of the Fund.

Performance						
	6 mths %	1 year %	3 years % pa	5 years % pa	10 years % pa	Since inception % pa
Actual (net) <sup>#</sup>	-2.39	-0.18	3.51	2.08	3.70	4.24

Past performance is not a reliable indicator of future performance.

<sup>#</sup> Represents total returns for periods to 30 September 2011. Returns for periods greater than 1 year have been annualised. Actual performance is net of fees and charges and is based on exit-to-exit price for the period. Management costs, tax and other expenses are accounted for in the exit prices. Unit prices may rise and fall in line with the value of the underlying assets.

Summary fees and costs <sup>5</sup>	
Contribution fee	Up to 3% (as negotiated with adviser)
Management cost <sup>6</sup>	1.50% pa
Switching fee	Nil
Withdrawal fee	Nil

Investment minimums	
Initial investment	\$2,000 or \$500 with Regular Savings Plan
Additional contributions	\$500
Regular savings plan	\$100 per month
Withdrawal	\$500
Regular withdrawal	\$200 per month, quarter, half-year or year

<sup>5</sup> Fees and costs listed may include remuneration paid to financial advisers. Transaction costs (buy/sell spreads) also apply. Please refer to the PDS for further information on the fees and costs.

<sup>6</sup> This fee excludes any expense recoveries that may be charged to the Fund from time to time. The management costs may vary as a result of any directly referable expenses.

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For further information on IOOF WealthBuilder, please contact our Client Service Officers on **1800 002 217** or visit the IOOF website **[www.ioof.com.au](http://www.ioof.com.au)**