

# Morningstar® Multi-Sector Market Indices

## Key Benefits

- ▶ Enable more accurate and appropriate comparisons and contrasts between the funds in each multi-sector Morningstar Category
- ▶ These indices are available in Morningstar Direct™, and on Morningstar's proprietary fund profiles.

## Multi-Sector Fund Performance Benchmarks

Morningstar calculates and publishes proxy market benchmarks for multi-sector funds. These Morningstar Multi-Sector Market Indices incorporate weighted averages of existing market indices.

These indices enable investors and their advisers to make accurate and appropriate comparisons between multi-sector funds and provide a meaningful performance benchmark for the five Morningstar multi-sector fund categories.

These five Multi-Sector Market Indices are:

- ▶ Morningstar Aus Msec Conservative TR AUD (XIUSA04GIY) (ticker 95244)
- ▶ Morningstar Aus Msec Moderate TR AUD (XIUSA04GIZ) (ticker 95245)
- ▶ Morningstar Aus Msec Balanced TR AUD (XIUSA04GJO) (ticker 95246)
- ▶ Morningstar Aus Msec Growth TR AUD (XIUSA04GJ1) (ticker 95247)
- ▶ Morningstar Aus Msec Aggressive TR AUD (XIUSA04GJ2) (ticker 95248)

These indices are available in Morningstar Direct™, and on Morningstar's proprietary fund profiles.

## How They're Calculated

We use identical calculations to determine daily returns for the five indices. We begin the calculation process by breaking each index into nine broad asset classes. We then assign a weighting to these asset classes on the basis of the category's average asset allocation, and then apply a widely-used market index to each broad asset class. Finally, we add these asset classes together to construct the daily return for each Multi-Sector Market Index. Each category's average asset allocation is updated twice-yearly (on 1 March and 1 September) and the market indices for each asset class are updated daily.

## Contact Us

Contact Morningstar Client Services on +61 2 9276 4446 or email [helpdesk.au@morningstar.com](mailto:helpdesk.au@morningstar.com)

## Asset Class Components and Market Indices

| Asset Class                     | Market Index                           |
|---------------------------------|----------------------------------------|
| ● Australian Shares             | S&P/ASX 300 TR                         |
| ● International Shares          | MSCI World Ex Australia NR AUD         |
| ● Australian Listed Property    | S&P/ASX 300 A-REIT TR                  |
| ● International Listed Property | FTSE EPRA/NAREIT Developed NR Hdg Aud  |
| ● Unlisted Property             | S&P/ASX 300 A-REIT TR                  |
| ● Australian Fixed Interest     | Bloomberg AusBond Composite 0+Y TR AUD |
| ● International Fixed Interest  | BarCap Global Aggregate TR Hdg AUD     |
| ● Australian Cash               | RBA Bank accepted Bills 90 Days        |

## Multi-Sector Index

### Asset Allocation

as at 31 December 2018



| Asset Class %                   | Conservative | Moderate | Balanced | Growth | Aggressive |
|---------------------------------|--------------|----------|----------|--------|------------|
| ● Australia Shares              | 6.11         | 11.44    | 21.95    | 29.03  | 36.73      |
| ● International Shares          | 6.23         | 13.10    | 24.04    | 32.06  | 45.65      |
| ● Australian Listed Property    | 1.47         | 2.00     | 2.29     | 2.78   | 2.24       |
| ● International Listed Property | 0.67         | 1.55     | 1.65     | 2.39   | 2.35       |
| ● Unlisted Property             | 0.63         | 1.09     | 1.24     | 2.71   | 0.89       |
| ● Australian Fixed Interest     | 26.41        | 28.63    | 20.46    | 12.37  | 3.82       |
| ● International Fixed Interest  | 26.55        | 16.69    | 13.61    | 8.85   | 3.14       |
| ● Australian Cash               | 31.92        | 25.49    | 14.75    | 9.80   | 5.18       |