

# Fund Summary

OnePath Balanced Index Trust

OneAnswer Frontier Investment Portfolio

31 March 2026

## Fund details

<b>Investment manager</b>	<b>OnePath Funds Management Limited</b>
<b>Fund code</b>	MMF1567AU
<b>Asset type</b>	Multisector Balanced
<b>Region</b>	Global
<b>Fund size</b>	\$161.79 million as at 31 Mar 2026
<b>Commencement date</b>	15 Nov 2010
<b>Distributions</b>	Quarterly

## Investment objective

The fund seeks to track the weighted average return of the various indices of the underlying funds in which the fund invests, in proportion to the strategic asset allocation (SAA) for the fund, before taking into account fees, expenses, and tax.

## Investment strategy

The fund holds units in a range of underlying funds and/or direct assets. The portfolio targets a 50% allocation to income asset classes (cash and fixed interest securities) and a 50% allocation to growth asset classes (property securities and shares). Actual allocations are permitted to deviate from the strategic asset allocations provided they remain within the specified ranges.

## Minimum time horizon

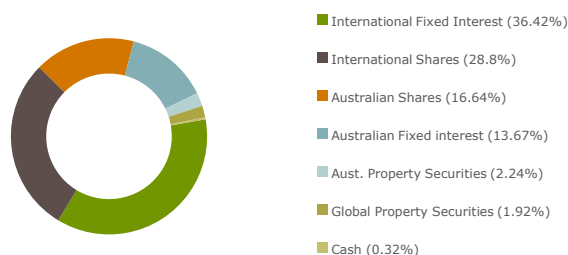
5 years

## Standard Risk Measure\*

The Standard Risk Measure (SRM) is based on industry guidance to allow investors to compare funds that are expected to deliver a similar number of negative annual returns over any 20 year period. The SRM for this fund is shown below:



## Asset allocation



\* For further information on Standard Risk Measures and the calculation methodology used, go to [onepath.com.au/personal/performance/product-updates.aspx](http://onepath.com.au/personal/performance/product-updates.aspx)

† Returns quoted use the unit price which is calculated using the net asset values for the relevant month end. The prices shown may differ from the actual unit price if an investor is applying for or redeeming an investment. Actual unit prices will be confirmed following any transaction on an investor's investment. Please note that all returns are after the deduction of management fees and expenses and assumes all distributions are re-invested. Where applicable, management fees have been deducted at the highest entry fee option rate. No allowance has been made for entry or exit fees.

‡ Benchmark (Morningstar AUS Balance Tgt Alloc NR AUD) returns should be used for indicative purposes only. These returns may not be a true indication of this Fund's performance against its investment objective.

## Fund performance

As at 31 Mar 2026

	1 mth	3 mth	1 yr	3 yr	5 yr	7 yr	10 yr
	%	%	%	% pa	% pa	% pa	% pa
Total Return †	-3.65	-1.91	7.22	7.67	4.66	5.30	5.75
Benchmark ‡	-3.58	-1.82	6.96	7.56	4.92	5.45	6.13
Excess Return	-0.07	-0.09	0.26	0.11	-0.26	-0.15	-0.38
Distribution	0.92	0.93	4.09	3.54	6.21	6.48	6.90
Growth	-4.57	-2.84	3.13	4.13	-1.55	-1.18	-1.15

Calendar year returns	YTD	2025	2024	2023	2022
Total Return †	-1.91	10.54	10.91	-10.42	8.70
Benchmark ‡	-1.82	8.60	10.12	10.46	-9.22
Excess Return	-0.09	1.94	0.79	-20.88	17.92

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## Market and portfolio review

The positive start to the first quarter of 2026 came rapidly undone in March, with nowhere to hide really, other than the comfort of cash or (less comfortably) in Energy stocks as the war between Iran and US/Israel showed no signs of an end game. Confusion was the main takeaway with mixed messages, flip-flopping and a dash of Trump TACO all serving up a spicy mix that added to volatility and increasing concern over what an extended closure of the Strait of Hormuz means for the supply of fuel, inflation and potential economic catastrophe. The joint forces of the US and Israel took out Iran's supreme leader Khamenei and other key leaders which prompted retaliation from Iran whereby critical infrastructure was damaged including the Ras Laffan LNG facility in Qatar and Saudi oil refineries. Markets responded accordingly, with Australian shares (including dividends) falling 2% over the March Quarter, with weakness entirely driven by a 7% decline last month. Large cap stocks (+1%) outperformed small caps (-11%) while Value stocks (+6%) outperformed Growth stocks (-7%) in Q1 2026. Globally the MSCI World index fell 4% last quarter (7% in AUD terms) with the US (S&P 500) relatively outperforming Australia with a 4.6% loss in USD terms. The moves at a sector level were also commensurate with a geopolitically motivated risk-off environment. Energy stocks were the clear winner, rising over 30% in the March quarter, while the more defensive Utilities (+8%) and Consumer Staples (+7%) also outperformed. Technology stocks suffered the most, losing 27%, closely followed by Property (-17%), Healthcare (-16%) and Consumer Discretionary (-15%). Gold stocks sold off sharply in March. It was a severely crowded space in the months leading up to the conflict and although a stronger USD was partly to blame for gold weakness, it was more likely an unwinding of positions from a number of participants forced to de-risk portfolios. In other commodities, increased demand for EVs in the wake of the oil supply shock sent lithium higher, while aluminium also rallied 16% over the quarter. Oil closed the quarter up 72% to USD104/bbl. A large widening of refining margins also helped our refiners, although recession fears held back copper prices and gold fell sharply. In a widely expected move, Australia's Reserve Bank raised interest rates for the second consecutive month, with another 25 basis point hike to 4.1%. Inflation continued to be sticky, with annualised CPI at 3.7%. Aussie bond yields rose sharply, with the 10-year bond yield rising 32 bps to 4.97%.

## Future investment strategy

This may as well be called the Trump Outlook, because where Trump goes, so do markets, and where Trump goes, nobody knows! Of course, with the war in the Middle East and the broadening negative effects on a multitude of goods and commodities from oil to aluminium to gas and fertiliser, the focus has shifted quickly from the micro of company earnings in reporting season to the macro of global and domestic economic growth. This is particularly important as the two best performing sectors heading into the month of March and the war were Commodities and Banks in Australia, both highly sensitive to economic growth. Both had largely done well because the global and domestic economies respectively were going along better than expected. That backdrop is however changing rapidly. Globally there is now a much greater economic risk, especially the longer the war and its flow on effects persist, forcing central banks to adapt and respond. The prospects of a stagflationary environment has again raised its ugly head. The risks are even starker in Australia. Here we entered this period with an uncomfortable and persistent lift in underlying inflation, which saw a sharp turnaround in the RBA rhetoric and actions. We are already 2 rate rises into a new rate cycle. Feedback is that the first rate rise had already shaken the consumer. We can only imagine what a second rate rise, plus a large rise in petrol price combined with worries of fuel shortages is doing to confidence now. It feels to us that the RBA is in a tough position. As such the economic risk for the lucky country has clearly risen. There is still momentum in parts of the economy and plenty of cash around, so we don't want to get too negative, but we are likely to see slower growth and potentially more issues arise than we have seen for a while. Of course, the extent either way probably rides on the length of the war and damaged caused on infrastructure, which in turn largely rides on Trump. As such taking lower cyclical risk, taking out economic hedges, and tilting a little more defensive seems prudent. We will have a close watch on what earnings do – that will tell the tale. We had a good 6 months in Australia with earnings upgrades coming through up until the war started, supporting the market. That comfort will disappear if we resume material earnings downgrades, especially if it comes through the large cap miners and banks. We are watching this space.

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This information is current as at 31 Mar 2026 with the commentary current for the most recent quarter end (eg. March, June, Sept or Dec) however in some cases may be applicable for the preceding month or quarter end. Updated information will be available free of charge by contact Client Services on 133 665. The information is of a general nature and does not take into account your personal needs, financial circumstances or objectives. Before acting on this information, you should consider the appropriateness of the information, having regard to your needs, financial circumstances and objectives. Past performance is not indicative of future performance. The future value of investments may rise and fall with changes in the market. You should read the relevant PDS available at [onepath.com.au](http://onepath.com.au) and consider whether that particular product is right for you before making a decision to acquire or continue to hold the product.