







Comparison guide

Macquarie Income Opportunities Fund moving to MLC Fixed Interest

Below is a summary of key differences between the Macquarie Income Opportunities Fund and MLC Fixed Interest options. See the side-by-side investment profile comparison below this for full details of the differences. This information is current as at 27 March 2023.

Key differences		
 Investment objective	<p>From: The fund aims to outperform the Benchmark over the medium term (before fees). It aims to provide higher income returns than traditional cash investments at all stages of interest rate and economic cycles.</p> <p>To: Aims to outperform the Benchmark (after fees and before tax) over 3 years.</p>	
 Benchmark	<p>From: Bloomberg AusBond Bank Bill Index.</p> <p>To: 50% Bloomberg AusBond Composite 0+ Yr. Index 50% Bloomberg Barclays Global Aggregate Total Return Index (hedged to Australian dollars).</p>	
 How the option is managed	<p>Moves from a single manager to be managed through MLC's multi-manager approach.</p>	
 Asset allocation	<p>From: Flexible asset allocation including cash, high yield, investment grade credit and emerging markets debt.</p> <p>To: Strategic Asset Allocation to 90% Fixed Income – diversified and 10% Fixed income – credit</p>	
 Standard Risk Measure	<p>From: Medium to high.</p> <p>To: Medium.</p>	
 Investment fees and costs and transaction costs	<p>MasterKey Business Super/Personal Super</p> <p>↓ Decreases from 0.66% pa to 0.50% pa.</p>	<p>MasterKey Super & Pension Fundamentals</p> <p>Super & Pension pre-retirement phase:</p> <p>↓ Decreases from 0.66% pa to 0.50% pa.</p> <p>Retirement phase:</p> <p>↓ Decreases from 0.67% pa to 0.50% pa.</p>

Full investment profile comparison		
	Macquarie Income Opportunities Fund	MLC Fixed Interest (From 26 May 2023)
Investment objective	The fund aims to outperform the Benchmark over the medium term (before fees). It aims to provide higher income returns than traditional cash investments at all stages of interest rate and economic cycles.	Aims to outperform the Benchmark (after fees and before tax) over 3 years.
Benchmark	Bloomberg AusBond Bank Bill Index.	50% Bloomberg AusBond Composite 0+ Yr. Index 50% Bloomberg Barclays Global Aggregate Total Return Index (hedged to Australian dollars).

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How the investment option is managed	<p>The fund predominantly provides exposure to a wide range of domestic and global investment grade floating and fixed rate instruments, asset-backed securities, and cash. The fund may also have opportunistic exposure to other fixed income sectors and instruments such as, high yield and emerging markets debt as well as other fixed income instruments. Interest rate risk will generally be hedged through the use of derivatives such as swaps and futures.</p> <p>The investment process aims to reduce the risk of the fund being adversely affected by unexpected events or downgrades in the credit rating of the fund's investments. A disciplined framework is used to analyse each sector and proposed investment to assess its risk.</p> <p>The fund may be exposed to derivatives to implement its investment strategy. For example, protection may be purchased on issuers that are believed to be over-valued or at risk of downgrade. These positions increase in value when the underlying instrument falls in value and decrease in value when the underlying instrument rises in value.</p> <p>The portfolio is generally hedged to Australian dollars. However, any exposure to emerging markets debt issued in the local currency of the debt will generally be unhedged. Small active currency positions may also be taken when the investment manager believes that there are opportunities to add value or hedge risks in the portfolio.</p>	<p>The fund is diversified across different types of fixed income securities in Australia and globally. The securities are predominantly investment grade and typically longer dated. Duration, a measure of the fund's sensitivity to changes in interest rates, is normally in the range of 3 +/- years relative to the benchmark.</p> <p>Foreign currency exposures will be substantially hedged to the Australian dollar.</p>																			
The investment option may be suited to you if...	you want a medium term investment horizon, seeking a steady and reliable income stream.	you want to invest in a fixed income portfolio that's actively managed and diversified across investment managers, types of fixed income, countries and securities.																			
Minimum suggested time to invest	3 years.	No change.																			
Asset allocation	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Ranges</th> </tr> </thead> <tbody> <tr> <td>Investment grade credit*</td> <td>0-100%</td> </tr> <tr> <td>High Yield</td> <td>0-25%</td> </tr> <tr> <td>Emerging Markets Debt**</td> <td>0-25%</td> </tr> <tr> <td>Cash</td> <td>0-100%</td> </tr> </tbody> </table> <p>* Includes Australian and global investment grade credit. **May include holdings of sub-investment grade instruments.</p>	Asset class	Ranges	Investment grade credit*	0-100%	High Yield	0-25%	Emerging Markets Debt**	0-25%	Cash	0-100%	<table border="1"> <thead> <tr> <th>Asset class</th> <th>Strategic asset allocation</th> <th>Ranges</th> </tr> </thead> <tbody> <tr> <td>Fixed income - diversified</td> <td>90%</td> <td>70-100%</td> </tr> <tr> <td>Fixed income - credit</td> <td>10%</td> <td>0-30%</td> </tr> </tbody> </table>	Asset class	Strategic asset allocation	Ranges	Fixed income - diversified	90%	70-100%	Fixed income - credit	10%	0-30%
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Asset class	Strategic asset allocation	Ranges																			
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Standard Risk Measure	Medium to high (estimate of 3 to 4 negative annual returns in any 20 year period).	Medium (estimate of 2 to 3 negative annual returns in any 20 year period).																			

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The investment fees and costs are made up of:	MasterKey Business Super/Personal Super MasterKey Super & Pension Fundamentals Super & Pension pre-retirement phase	MasterKey Super & Pension Fundamentals Retirement phase	MasterKey Business Super/Personal Super MasterKey Super & Pension Fundamentals Super & Pension pre-retirement phase	MasterKey Super & Pension Fundamentals Retirement phase MasterKey Term Allocated Pension
Performance fee (% pa)	0.00	0.00	0.00	0.00
Plus other investment fees and costs (% pa)	0.66	0.66	0.50	0.50
Equals investment fees and costs (% pa)	0.66	0.66	0.50	0.50
Transaction costs (% pa)	0.00	0.01	0.00	0.00
Buy-sell spreads (%/%)	0.15/0.15	0.15/0.15	0.15/0.15	0.15/0.15

Administration fees and costs apply in addition to the fees and costs shown in this table. Please refer to the relevant **Product Disclosure Statement, Investment Menu, and Fee Brochure** for further information about fees and costs, including how the figures shown above are calculated.

Return to mlc.com.au/investmentchanges to see the full list of changes.

Important information

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