

# Challenger Absolute Return Global Bond Strategies Fund

Seeking stable returns and a steady stream of income in all market conditions.

The Challenger Absolute Return Global Bond Strategies Fund (Fund) is a low risk, fixed income fund. It aims to provide modest growth and a reliable income stream in both the rising and falling markets.

The Fund aims to be less volatile than traditional fixed income funds.

## Who is this Fund suitable for?

Investors who are comfortable with an absolute return fund within their portfolio and who:

- ✓ have a minimum investment timeframe of five years
- ✓ require regular cash flow
- ✓ seek to protect their wealth from market volatility.

## Why absolute return funds?

Absolute return funds aim to deliver positive returns in both rising and falling markets. To do this they invest in a wide range of asset classes and employ various investment strategies.

As a result, the performance is not typically tied to any of the traditional assets classes such as shares, property or fixed interest.

Absolute return funds generally have a far wider set of investment guidelines than traditional funds. This allows investment managers to seek returns from a variety of investment strategies to achieve their objective. Funds of this nature typically have cash benchmarks as they aim to target a specific outcome with as little risk as possible.

The consistent return profile of absolute return funds and lower volatility can help protect against risk in an investment portfolio.

## Why invest?

### Stable investment returns

The Fund aims to provide positive returns in all market conditions.

### Regular reliable income stream

The Fund aims to provide investors with a reliable income stream, paid on a quarterly basis.

### Diversification

The Fund has low correlation with traditional fixed income and equity markets. This can help diversify an investment portfolio, protecting investors against market shocks.

## Fund at a glance

### Objective

Aims to deliver a positive absolute return over the medium to long term in all market conditions, and provide a steady stream of income.

### Benchmark

Bloomberg Ausbond Bank Bill Index

### Distribution frequency

Quarterly

### Minimum investment

\$10,000

### Investment Manager

Standard Life Investments

### Management fee

0.75% p.a. including GST

## How the Fund invests

The Fund gains its exposure by investing in the Australian Dollar Hedged Share Class of the Standard Life Investments Global SICAV Absolute Return Global Bond Strategies Sub-Fund (Underlying Fund).

The Underlying Fund invests across a wide range of fixed income opportunities in both traditional assets (such as bonds and cash) and investment strategies based on advanced derivative techniques. This results in a highly diversified portfolio.

An unconstrained investment approach enables the investment manager to find the most compelling investment opportunities across the fixed income universe and bring them together in a diversified way. Each strategy is expected to pay off at different times to generate stable, positive returns.

All strategies are rigorously stress tested using state-of-the-art risk processes to help ensure the Fund can deliver in all market conditions.

## About Challenger

Challenger Limited (Challenger) is an ASX 100 listed investment management firm. Established in 1985, Challenger manages \$77 billion<sup>1</sup> in assets, and is committed to providing its customers with financial security for retirement.

Challenger have partnered with Standard Life Investments to provide a low risk, absolute return fixed income product.

## About Standard Life Investments

Standard Life Investments is a leading asset manager and a provider of multi-asset, absolute return funds worldwide with \$A91 billion<sup>1</sup> under management in these strategies.

The Fund is managed by a large global, and very experienced, investment and risk team with an excellent track record of consistently strong long-term investment performance. As active managers, Standard Life Investments place significant emphasis on disciplined risk management and rigorous research.

Standard Life Investments' parent company, Standard Life PLC, was established in 1825 and is a leading provider of long-term savings and investments. Standard Life PLC floated on the London Stock Exchange in 2006 and is now a FTSE 100-listed company. Standard Life Investments was launched as a separate entity (or subsidiary) in 1998 and has established a reputation for innovation in pursuit of its clients' investment objectives.

## Contact us

To find out more, please contact your financial adviser or call the Challenger Investor Services team on 13 35 66.

## Risks

As with all funds there are risks in investing in the Challenger Absolute Return Global Bond Strategies Fund. This Fund is not guaranteed, not a capital protected product and not a substitute for cash or deposits. In order to achieve its investment objective the Fund uses derivatives. For more information on the risks please read the PDS found at [challenger.com.au](http://challenger.com.au).

<sup>1</sup> As at 31 December 2017