

# Portfolio Update

July 2025

For Financial Advisers only

## Overview of the changes:

Mercer Investments (Australia) Limited, as the investment manager of the Mercer APS CoreSeries Portfolios (**'Portfolio(s)'**), made the following changes to the Portfolios during July 2025.

In line with our best ideas for equity portfolio construction, we implemented what we believe are dedicated value and growth exposures within Australian Equities with a view to provide a more consistent return outcome for the Portfolios' clients across the market cycle.

We have also introduced active management into the Global Listed Infrastructure asset class through the implementation of the Lazard Global Listed Infrastructure Fund (**'Fund'**). The Fund has consistently outperformed the broader *Listed Infrastructure Index* over the market cycle while also providing downside protection in falling markets, reduced volatility and a potentially higher income profile when compared to Global Equities.

Finally, there were also changes to the Fixed Income allocation; where we increased the allocation to active management within Australian and Global Credit seeking to capitalise on alpha opportunities within the market.

Details of the new target allocations of the Portfolios can be found at the end of this document.

Description of Change	Portfolio	Identifier	Fund redeemed	Increased exposure to fund	New exposure
<b>Change to allocations within Australian Equities</b>	Mercer APS CoreSeries Conservative Portfolio	NTH0215	Macquarie Australian Shares Fund (APIR: MAQ0443AU)	Betashares Australia 200 ETF (ASX:A200)	N/A
	Mercer APS CoreSeries Balanced Portfolio	NTH0216	Macquarie Australian Shares Fund (APIR: MAQ0443AU)	N/A	RQI Australian Share Value Fund (APIR: FSF0976AU) Platypus Australian Share Fund (APIR: AUS0354AU)
	Mercer APS CoreSeries Growth Portfolio	NTH0217	Macquarie Australian Shares Fund (APIR: MAQ0443AU)	N/A	RQI Australian Share Value Fund (APIR: FSF0976AU)  Platypus Australian Share Fund (APIR: AUS0354AU)

Description of Change	Portfolio	Identifier	Funds redeemed	Increased exposure to existing fund	New exposure
<b>Consolidation of global equity managers and passive infrastructure</b>	Mercer APS CoreSeries Conservative Portfolio	NTH0215	Vanguard Global Infrastructure Index ETF (ASX: VBLD)	N/A	Lazard Global Infrastructure Fund (APIR: LAZ1657AU)

Description of Change	Portfolio	Identifier	Fund redeemed	Increased exposure to fund	New exposure
in favour of active management within Infrastructure and Global REITs	Mercer APS CoreSeries Balanced Portfolio	NTH0216	JPMorgan Global Select Equity Fund (APIR: PER6443AU)	N/A	Lazard Global Infrastructure Fund (APIR: LAZ1657AU)
			Vanguard Global Infrastructure Index ETF (ASX: VBLD)		
	Mercer APS CoreSeries Growth Portfolio	NTH0217	JPMorgan Global Select Equity Fund (APIR: PER6443AU)	Resolution Capital Global Property Securities Fund (APIR: WHT7374AU)	Lazard Global Infrastructure Fund (APIR: LAZ1657AU)
			Vanguard Global Infrastructure Index ETF (ASX: VBLD)		
Description of Change	Portfolio	Identifier	Fund redeemed	Increased exposure to existing fund	
Change to allocations within Fixed Income	Mercer APS CoreSeries Conservative Portfolio	NTH0215	Vanguard Australian Corporate Fixed Interest ETF (ASX: VACF)	Perpetual Diversified Income Fund (APIR: PER1058AU)	
			Invesco Senior Secured Income	AB Dynamic Global Fixed Income Fund	

Description of Change	Portfolio	Identifier	Fund redeemed	Increased exposure to existing fund
			Fund (APIR: CNA0805AU)	(APIR: ACM0001AU)
	Mercer APS CoreSeries Balanced Portfolio	NTH0216	Vanguard Australian Corporate Fixed Interest ETF (ASX: VACF)	Macquarie True Index Australian Fixed Interest Fund (APIR: MAQ0211AU)
			Invesco Senior Secured Income Fund (APIR: CNA0805AU)	Perpetual Diversified Income Fund (APIR: PER1058AU)
				AB Dynamic Global Fixed Income Fund (APIR: ACM0001AU)

### Additional information on the new funds:

Asset Class	New Manager
Australian Equities	<b>RQI Australian Share Value Fund</b>  The RQI Australian Share Value Fund seeks to provide the relevant Portfolios with reliable, transparent and low-cost value-oriented equity exposure. RQI's approach is founded on the concepts of fundamentally weighted portfolios and traditional value investing.  <b>Platypus Australian Share Fund</b>  The Platypus Australian Share Fund seeks to provide the relevant Portfolios with growth orientated equity exposure. The strategy aims to invest in a portfolio of 20-40 companies using an investment process that combines Platypus' quantitative capabilities with bottom-up fundamental research and which is based on a sustainable earnings growth philosophy.
Infrastructure	<b>Lazard Global Infrastructure Fund</b>  The Lazard Global Listed Infrastructure Fund seeks to provide investors with exposure to listed infrastructure companies. The strategy utilises a benchmark agnostic investment approach, with a focus on downside protection.

## Updated Portfolio target allocations

	Manager	Conservative	Balanced	Growth
Australian Equities	Betashares Australia 200 ETF	7.5%	13.0%	19.3%
	RQI Australian Share Value Fund	-	5.3%	6.5%
	Platypus Australian Share Fund	-	3.5%	4.3%
	Pendal Focus Australian Share Fund	-	4.0%	9.9%
Global Equities	T. Rowe Price Global Equities Fund	-	7.6%	9.6%
	RQI Global Value Fund	-	5.0%	6.1%
	Skerryvore Global Emerging Markets Fund	-	-	2.1%
	Bell Global Emerging Companies Fund	-	-	3.8%
	Vanguard MSCI Index International Shares (Hedged) ETF	3.1%	5.8%	7.9%
	Vanguard MSCI Index International Shares ETF	3.3%	6.7%	9.0%
	Lazard Global Infrastructure Fund (Hedged)	2.1%	2.2%	6.0%
	Resolution Capital Global Property Securities Fund	-	2.8%	5.6%
	Vanguard Australian Property Securities Index ETF	-	1.0%	1.5%
Australian Fixed Interest	Perpetual Diversified Income Fund	9.0%	4.0%	-
	Macquarie True Index Australian Fixed Interest Fund	22.5%	12.0%	1.5%
International Fixed Interest	Vanguard International Fixed Interest Index (Hedged) ETF	16.8%	12.1%	2.9%
	Vanguard International Credit Securities Index ETF	6.7%	3.8%	-
	AB Dynamic Global Fixed Income Fund	16.8%	9.0%	2.5%
Cash	Cash Account	2.0%	1.9%	1.8%
	Betashares Australian High Interest Cash ETF	10.3%	0.5%	-
<b>Total</b>		<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

### Is there an impact to fees and costs?

No. There is no material impact to the overall fees and costs of the Portfolios.

### We are here to help

Please contact your Mercer Wealth Management representative if you have any questions:

Travis Grant – QLD/WA **0411 107 391**

Eric Vassiliadis – VIC/SA/TAS **0434 428 055**

Matt Young – NSW **0414 856 270**

Staten Janes – NSW/ACT **0481 006 742**

Alternatively, you can email [MercerAdviserSolutions@mercer.com](mailto:MercerAdviserSolutions@mercer.com)

### **Important Notices**

This document is prepared by Mercer Investments (Australia) Limited ABN 66 008 612 397 AFSL 244385 ('**MIAL**') exclusively for the use of financial advisers.

MIAL is a wholly owned subsidiary of Mercer (Australia) Pty Ltd ABN 32 005 315 917 ('**Mercer Australia**'). References to '**Mercer**' shall be construed to include Marsh & McLennan Companies, Inc. and/or its associated companies. 'MERCER' and 'CoreSeries' are registered trademarks of Mercer Australia.

MIAL is the provider of the model portfolios used in constructing the Mercer APS CoreSeries Portfolios referred to in this document ('**Portfolio(s)**').

This document contains confidential and proprietary information of Mercer which is subject to change without notice.

Although reasonable care has been taken in the preparation of this document, Mercer makes no representation or warranty as to the accuracy or completion of the information presented and takes no responsibility or liability (including for indirect, consequential or incidental damages), for any error, omission or inaccuracy or for content that may be modified, reproduced or sold without permission.

Past performance does not guarantee future results. The information contained in this document is general in nature only. It does not constitute advice, an offer of financial products or services, or an offer or representation on behalf of Mercer. It does not take into account the objectives, financial situation or needs of any client. A client should consider whether the information is suitable for their circumstances and seek professional advice.

The relevant Product Disclosure Statements ('**PDS**') and Target Market Determination ('**TMD**') are available from the product issuer(s). The Financial Services Guide ('**FSG**') for MIAL can be obtained via [mercer.com.au/mercerfunds](https://mercer.com.au/mercerfunds).

© 2025 Mercer. All rights reserved.