

CFS Geared Share

A high-quality fund that provides investors the opportunity to multiply their exposure and magnify returns generated via a concentrated and actively managed portfolio of Australian shares.



Recommended –
Zenith Research¹



Highest Pension Performer –
FirstChoice Wholesale Pension



Recommended –
Lonsec Research²

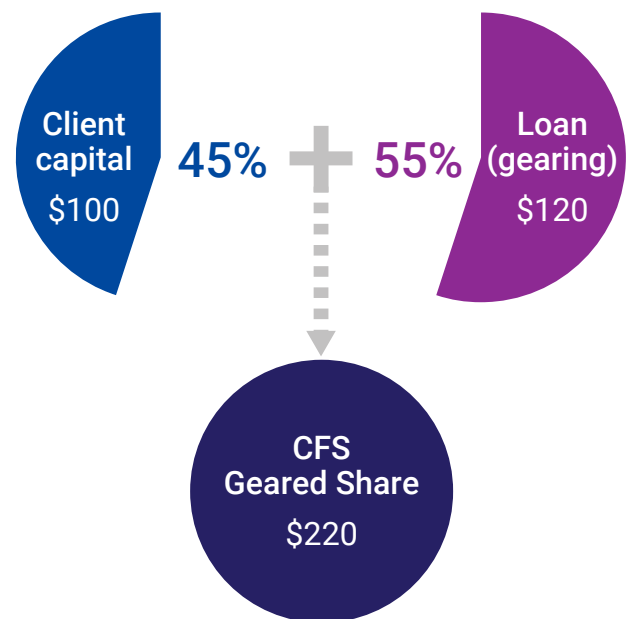
The fund

CFS Geared Share aims to outperform the S&P/ASX 100 Accumulation index (before fees and taxes) over rolling seven-year periods. The fund predominantly invests in large, high-quality Australian companies and uses gearing to magnify returns. The CFS Geared Share fund targets a gearing ratio of 55%, providing investors with 2.2x exposure to the underlying shares.

How geared funds can enhance performance

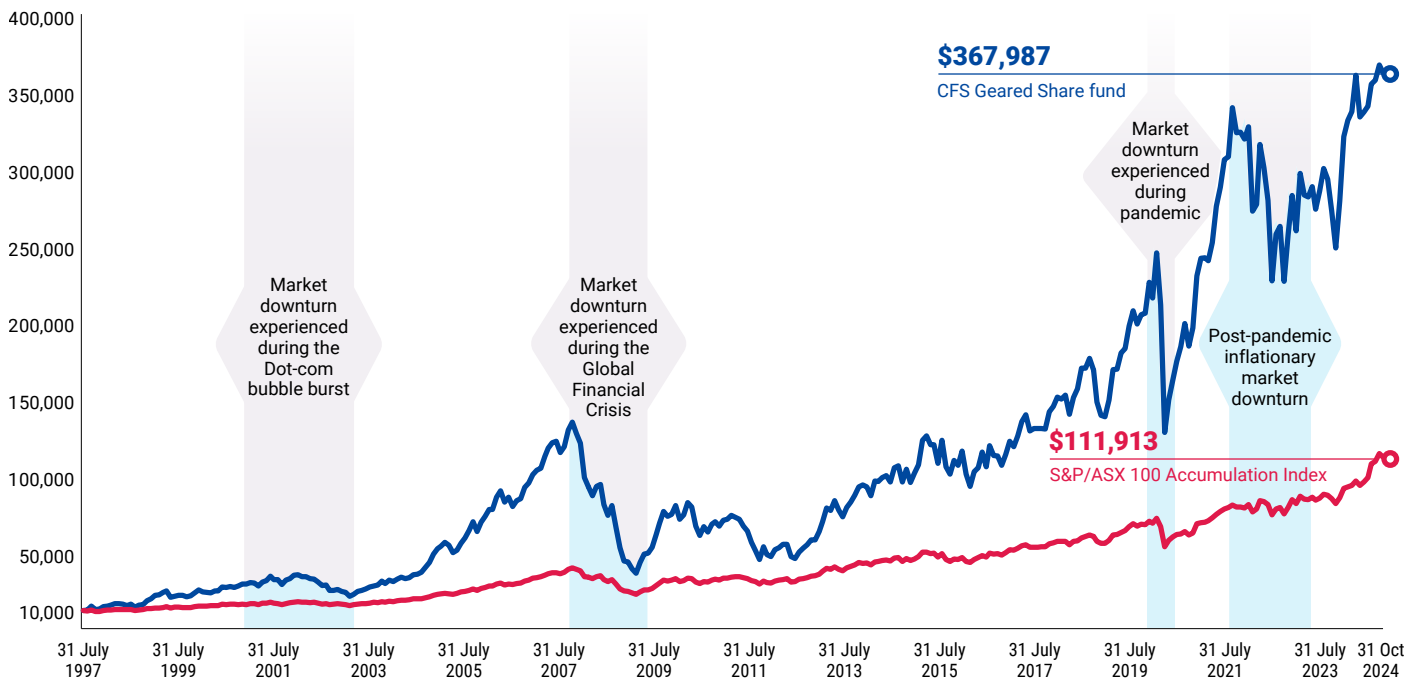
Gearing increases investors' exposure to an asset by combining their investment and an additional amount that is borrowed by the fund. For example, a gearing ratio of 55% means for every \$100 invested, the fund borrows \$120 and invests that into the fund too.

This means the investor has 2.2x the exposure to a portfolio compared to an ungeared investment. If a portfolio delivered an average annual gross return of 8% over a 30-year horizon, someone who invested into it with a gearing ratio of 55% would receive an average annual gross return of 17.60%*. Integrating gearing also increases the franking credits the investor will receive.



* Before fees and borrowing costs.

CFS Geared Share vs S&P ASX 100 Accumulation Index



Figures from 31 July 1997 to 31 October. This diagram depicts one of many potential scenarios and is an illustrative example. Other outcomes are possible and may vary depending on the timing and duration of an investor's initial investment. **Past performance is no indication of future performance.**

This diagram demonstrates that the CFS Geared Share fund has experienced extensive highs and troughs and has exceeded benchmark returns over the long-term.

It's important to consider the risks of gearing. While positive returns are magnified, so too are negative returns. Investors should generally have a higher risk tolerance and an investment horizon of seven years or more.

Reasons to invest

Investing expertise

Your clients benefit from the expertise of a proven team who have managed the fund since 1997.

Institutional capabilities

CFS uses its scale and access to institutional borrowing rates to lower the cost of borrowing.

Unsecured lending

CFS's gearing is secured by its balance sheet, rather than the underlying shares, providing confidence in periods of volatility.

Magnified returns

Gearing within the fund is a simple and efficient way to magnify potential returns and achieve financial objectives.

Diversification

The CFS Geared Share fund invests in listed Australian companies across a wide range of industries, including financials, resources, health care, real estate and more.

Quality

The fund focuses on high quality businesses with strong balance sheets and earnings.

Mitigated risks

The CFS Geared Share fund removes some of the risks and administration related to traditional gearing solutions such as margin or home equity loans. Lengthy applications, credit checks and margin calls aren't required. The maximum potential loss is restricted to the investor's capital.

Fund facts

Inception	August 1997			
Objective	Magnify long-term returns from capital growth by borrowing to invest, and to outperform the S&P/ASX 100 Accumulation Index over rolling seven-year periods before fees and taxes.			
Benchmark	S&P/ASX 100 Accumulation Index			
Asset class	Geared Australian share			
Minimum suggested timeframe	At least 7 years			
Risk rating	7 – Very high			
Platform availability	Speak to a BDM or refer to the CFS platform availability matrix			
Product	FirstChoice Wholesale Investments	FirstChoice Wholesale Personal Super	FirstChoice Employer Super	FirstChoice Wholesale Pension
APIR	FSF0043AU	FSF0647AU	FSF1369AU	FSF0574AU
Total management fees and costs³	1.06%(g)/2.30%(n)	1.07%(g)/2.32%(n)	0.94%(g)/1.91%(n)	1.07%(g)/2.31%(n)
Buy/Sell spread⁴	0.20–0.50%	0.20–0.50%	0.20–0.50%	0.20–0.50%
Minimum investment	\$1,000	No minimum	\$1,000	\$20,000

- 1 The Zenith Investment Partners (ABN 27 103 132 672, AFS Licence 226872) ("Zenith") rating was issued on June 2024 and assigned to CFS Geared Share fund (FSF0043AU). The rating is limited to "General Advice" (s766B Corporations Act 2001) for Wholesale clients only. This advice by Zenith has been prepared without taking into account the objectives, financial situation or needs of any individual and is subject to change at any time without prior notice. It is not a specific recommendation to purchase, sell or hold the relevant product(s). Investors should seek independent financial advice before making an investment decision and should consider the appropriateness of this advice in light of their own objectives, financial situation and needs. Investors should obtain a copy of and consider the PDS or offer document before making any decision and refer to the full Zenith Product Assessment available on the Zenith website. Zenith usually charges the product issuer, fund manager or related party to conduct Product Assessments. Full details regarding Zenith's methodology, ratings definitions and regulatory compliance are available on our Product Assessments and at <http://www.zenithpartners.com.au/RegulatoryGuidelines>.
- 2 The Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421 445 (Lonsec) rating was issued on 31 October 2024 and assigned to CFS Geared Share Fund (FSF0043AU). Ratings are general advice only, and have been prepared by Lonsec without taking account of your objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The rating is not a recommendation to purchase, sell or hold any product. Past performance information is not indicative of future performance. Ratings are subject to change without notice and Lonsec assumes no obligation to update. Lonsec uses objective criteria and receives a fee from the Fund Manager. Visit lonsec.com.au for ratings information and to access the full report. © 2024 Lonsec. All rights reserved.
- 3 Management fees and costs are expressed as a percentage of both the gross (g) and net (n) assets. Gross assets include assets acquired from borrowings and net assets exclude assets acquired from borrowings. Refer to the Product Disclosure Statement (PDS) for further details on fees and other costs that may apply.
- 4 Buy/sell spreads depend on the specific gearing option.

Find out more

To learn more about the CFS Geared Share fund, please contact your local [Business Development Manager](#), call Adviser Services on 13 18 36 (8:30am to 6pm Sydney time) or visit cfs.com.au/investments

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