

Bentham Global Income Fund NZD
June 2024
Investment Objective

The Fund provides exposure to global credit markets and aims to generate income with some potential for capital growth over the medium to long term.

Fund Performance as at 30 June 2024 (%)

	1 month	3 months	6 months	1 year	3 years (p.a.)	5 years (p.a.)	10 Year (p.a.)	Since inception (p.a.)
Gross return (before fees)	1.04	-0.07	2.03	10.93	4.90	5.49	5.48	6.02
Growth return (after fees)	0.40	-2.05	-2.02	2.28	-2.20	-1.21	-1.36	-0.91
Distribution return	0.63	1.85	3.75	7.92	6.33	5.91	6.05	6.12
Total return (after fees)¹	1.03	-0.20	1.73	10.20	4.13	4.69	4.69	5.22
Benchmark	0.66	0.43	1.80	5.41	1.30	1.30	2.63	2.77
Active return (after fees) ²	0.37	-0.63	-0.07	4.79	2.83	3.39	2.06	2.45

Source: Fidante Partners. Past performance is not indicative of future performance. Returns may be volatile and may vary from year to year.

¹ Total Return (after fees) is calculated using pre-distribution month end withdrawal unit prices, and assumes all income is reinvested in additional units. Total Return equals Growth return (after fees) plus Distribution return (after fees).

² Active Return of the Fund is the difference between the Total Return and the return of the Benchmark. Gross Returns (before fees) are calculated by adding back the fees and expenses deducted. Please refer to the PDS for more information on fees and expenses.

Portfolio and Market Returns

The Bentham Global Income Fund NZD had a total return (after fees) of 1.03% in the month of June, outperforming the benchmark (50% Bloomberg AusBond Bank Bill Index (hedged to NZD), 50% Bloomberg AusBond Composite Index (hedged to NZD)) by 0.37%. On a before fees basis the fund returned 1.04% for the month, outperforming the benchmark by 0.37%.

Investment markets were higher in June as investors adjusted expectations of a soft landing against a backdrop of sticky inflation, weak economic data and a wave of upcoming elections. Equity and fixed income markets were higher, while credit markets were mixed.

The top contributors to performance included Investment Grade Credit, Asset Backed Securities (ABS) and Collateralised Loan Obligations (CLO); whilst the bottom performing contributors included Global Syndicated Loans, Bond and Global Hybrids.

Investment markets are pricing in both a rate cutting cycle starting later this year and a continuation of positive earnings growth from companies. While cash rates are now on hold in most G10 countries, monetary policies are currently quite restrictive. We remain cautious on the investment return outlook as we believe the market may be underestimating the economic risk from the lagged impact of recent cash rate hikes.

Portfolio Summary Statistics

Yield to maturity	7.04%
Running yield	7.94%
Credit spread ³	+192bps
Number of issuers	698
Interest rate duration	6.37 years
Credit duration	2.51 years
Investment grade ⁴ exposure	82% of portfolio
Fund size	NZ\$73,796,654

Risk Characteristics

5 Year Volatility ⁵	6.43
5 Year Sharpe Ratio ⁶	0.47
5 Year Tracking Error ⁷	5.87
5 Year Information Ratio ⁸	0.71

Fund Distributions

Distribution frequency	Monthly
Monthly distribution ⁹	0.63% (Jun 2024)
Target distribution rate (FY24) ¹⁰	7.5%

³ Spread over the swap rate.

⁴ An assigned credit rating of BBB-/Baa3 or better by a credit rating agency.

⁵ Volatility is Standard Deviation.

⁶ Sharpe Ratio is the excess return over the Bloomberg NZBond Bank Bill Index (before fees) divided by Standard Deviation.

⁷ Tracking Error is the Standard Deviation of the Active Return (before fees).

⁸ Information Ratio is the Active Return (before fees) divided by the Tracking Error.

⁹ Calculated as the cents per unit (CPU) distribution at the month end divided by the ex-distribution unit price at the start of the month.

¹⁰ Bentham intends to achieve the distribution rate for FY2024 with taxable income. If there is a shortfall of taxable income, the distribution may possibly include a capital return. The current distribution rate setting was based on the running yield of the Fund as at 30 June 2023 and assumes the Fund continues to achieve an equivalent yield for FY2024. Actual distributions, however, can differ from this setting because of future matters which are not known or able to be presently identified.

Bentham Global Income Fund NZD June 2024
Monthly Distribution Returns History (%)¹

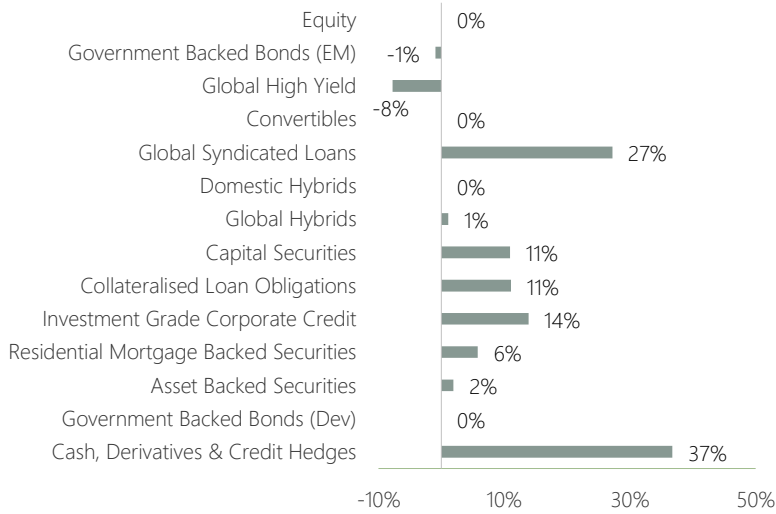
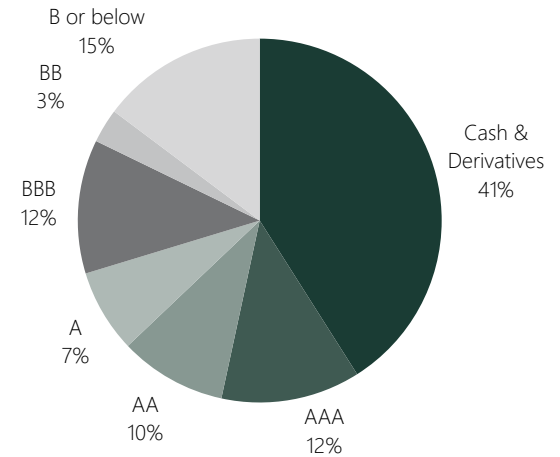
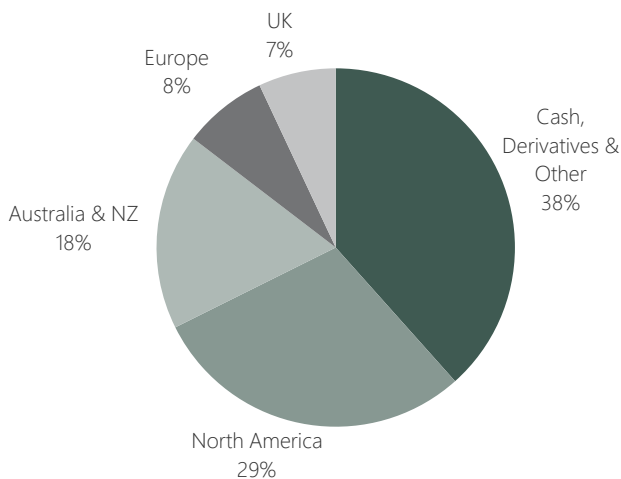
Financial Year	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD ²
2024	0.62	0.63	0.62	0.63	0.63	0.62	0.63	0.63	0.63	0.62	0.61	0.63	7.92
2023	0.63	0.63	0.63	0.63	0.61	0.62	0.62	0.62	0.62	0.62	0.62	1.40	8.19
2022	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.24	0.25	0.24	0.26	0.28	2.96
2021	0.28	0.28	0.28	0.29	0.29	0.29	0.29	0.28	0.30	0.85	0.84	1.12	5.83
2020	0.30	0.31	0.31	0.31	0.30	0.31	0.31	0.31	1.33	0.34	0.32	0.32	4.80
2019	0.37	0.37	0.37	0.37	0.38	0.37	0.37	0.38	0.38	0.38	0.37	3.20	7.18

Source: Fidante Partners

Past distributions are no indication of future distributions.

¹ Calculated as the cents per unit (CPU) distribution at month end divided by the ex-distribution unit price at the start of the month.

² Annual distribution return (Year-to-Date) is calculated as the Total Return (after fees) minus Growth Return. Total Return (after fees) is calculated using pre-distribution month end withdrawal unit price, and assumes distributions are reinvested. Growth Return equals the percentage change in unit price.

Portfolio Asset Allocation

Credit Rating Breakdown

Regional Breakdown

Top 5 Industry Exposures (Moody's SIC)

Banking	17.5%
RMBS	5.8%
Electronics	4.8%
Aerospace and Defense	3.8%
Diversified/Conglomerate Service	3.4%

Pricing and Fees

Unit frequency pricing	Daily
Management fee	0.77%
Recoverable expenses	0.00% (Jun 2024)
Buy/sell spread ³	+0.260%/-0.260%
Entry and exit fees	Nil
Minimum initial investment	NZ\$50,000

³ Buy/sell spread is retained in the Fund to cover transaction costs. It is not paid to the Investment Manager. The buy/sell spread is reviewed on a monthly basis to ensure it fairly reflects market transaction costs.

Bentham Global Income Fund NZD
June 2024

Fund Overview		Platform Availability	
Inception date	30 September 2013	AEGIS	✓
ARSN code	165 696 417	FNZ (including One Answer and Wealthview)	✓
Benchmark	50% Bloomberg Ausbond Composite Bond Index (hedged to NZD) and 50% Bloomberg Ausbond Bank Bill Index (hedged to NZD)		
Investment universe	Global credit and fixed interest markets, including but not limited to, government backed bonds, securitised credit, global syndicated loans, global high yield bonds, equities and derivatives		
Credit quality	Actively managed. Minimum exposure of 50% to investment grade rated securities		
Interest rate exposure	Actively managed		
Currency	Aims to be fully hedged to NZD		
Fund features	<ul style="list-style-type: none"> • Active specialist management • Access to global investment opportunities not typically available to direct retail investors • Highly diversified portfolio • Regular monthly distributions • Daily unit pricing • Fund track record 5+ years • Strategy track record 15+ years • Competitive fee 		



04 Dec 18

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Website: www.benthamam.com
PDS: [Bentham Global Income Fund NZD PDS](#)

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This material has been prepared by Bentham Asset Management ABN 92 140 833 674 AFSL 356199 (Bentham), the investment manager of Bentham Global Income Fund NZD (Fund). Fidante Partners Limited ABN 94 002 835 592 AFSL 234668 (Fidante) is a member of the Challenger Limited group of companies (**Challenger Group**) and is the responsible entity of the Fund. Other than information which is identified as sourced from Fidante in relation to the Fund, Fidante is not responsible for the information in this material, including any statements of opinion.

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