

Bentham Global Income Fund NZD
January 2025
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 31 January 2025 (%)

| | 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) | 0.41 | 2.19 | 2.25 | 6.67 | 5.68 | 6.00 | 5.84 | 6.14 |
| Growth return (after fees) | -0.16 | 0.50 | -1.12 | -0.85 | -2.04 | -0.99 | -1.01 | -0.78 |
| Distribution return | 0.50 | 1.52 | 2.99 | 6.76 | 6.93 | 6.20 | 6.06 | 6.12 |
| Total return (after fees)¹ | 0.34 | 2.01 | 1.88 | 5.91 | 4.89 | 5.20 | 5.04 | 5.34 |
| Benchmark | 0.29 | 1.53 | 2.10 | 4.62 | 2.62 | 1.53 | 2.49 | 2.91 |
| Active return (after fees) ² | 0.05 | 0.48 | -0.22 | 1.29 | 2.26 | 3.67 | 2.55 | 2.43 |

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 had a total return (after fees) of 0.40% in the month of January, outperforming the benchmark (50% Bloomberg AusBond Bank Bill Index, 50% Bloomberg AusBond Composite Index) by 0.12%. On a before fees basis the fund returned 0.47% for the month, outperforming the benchmark by 0.18%.

It was a volatile start to the year for markets, with investors focused on the wave of executive orders following the inauguration of US President Trump. Equity and credit markets moved higher, while bond yields were mixed, with the US 10-year yield falling by 2bps to 4.55%. In other news, the emergence of DeepSeek, a low-cost Chinese generative AI model, raised concerns over the US's competitive advantage in the tech space.

Among the executive orders announced in January were measures to enact 25% tariffs on Canada and Mexico and a 10% tariff on China, causing initial selloffs. While potential retaliatory tariffs remain uncertain, the overall uncertainty surrounding policies has heightened global economic concerns. The Fed kept interest rates on hold and adopted a hawkish tone. Non-farm payrolls data indicated a robust US jobs market, while the Q4 earnings season was well received by investors.

In Australia, headline inflation for Q4 rose by 2.4% y/y, while core inflation increased by 3.2%, paving the way for a rate cut in February. Meanwhile, the Bank of Japan raised interest rates by 25bps to 0.5%, upgraded its inflation forecasts, and the ECB cut rates for the fourth consecutive time by 25 basis points to 2.90%.

Higher-risk credit markets outperformed, led by emerging markets, bank capital securities, and high yield. Spreads on US syndicated loans remained steady at 475bps.

Bentham's multi-sector funds performed positively for the month, with the Bentham Global Income Fund maintaining an interest rate duration of approximately 6 years and has targeted positions in Australia, the UK, and the US.

Portfolio Summary Statistics

| | |
|--|------------------|
| Yield to maturity | 5.43% |
| Running yield | 4.97% |
| Credit spread ³ | +156bps |
| Number of issuers | 759 |
| Interest rate duration | 6.05 years |
| Credit duration | 2.99 years |
| Investment grade ⁴ exposure | 84% of portfolio |
| Fund size | NZ\$35,046,340 |

Risk Characteristics

| | |
|---------------------------------------|------|
| 5 Year Volatility ⁵ | 6.59 |
| 5 Year Sharpe Ratio ⁶ | 0.47 |
| 5 Year Tracking Error ⁷ | 5.83 |
| 5 Year Information Ratio ⁸ | 0.77 |

Fund Distributions

| | |
|---|------------------|
| Distribution frequency | Monthly |
| Monthly distribution ⁹ | 0.50% (Jan 2025) |
| Target distribution rate (FY25) ¹⁰ | 6.0% |

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 FY2025 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 2024 and assumes the Fund continues to achieve an equivalent yield for FY2025. 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
January 2025
Monthly Distribution Returns History (%)¹

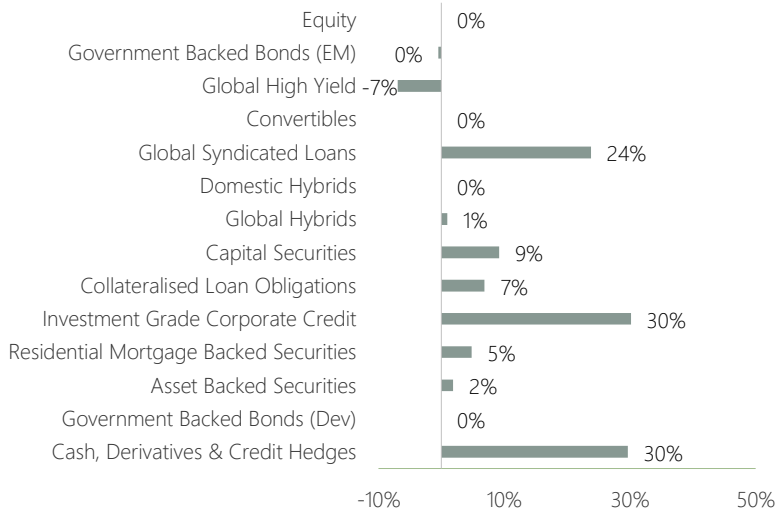
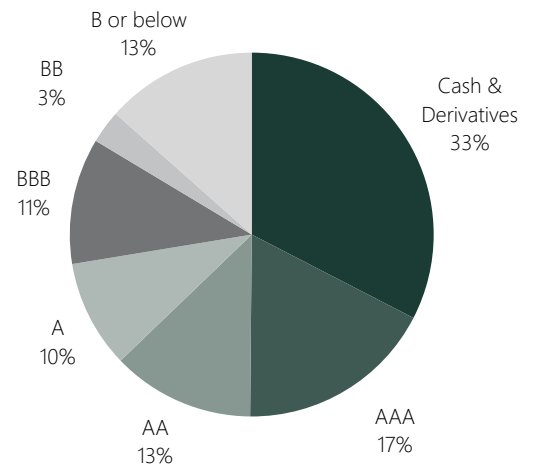
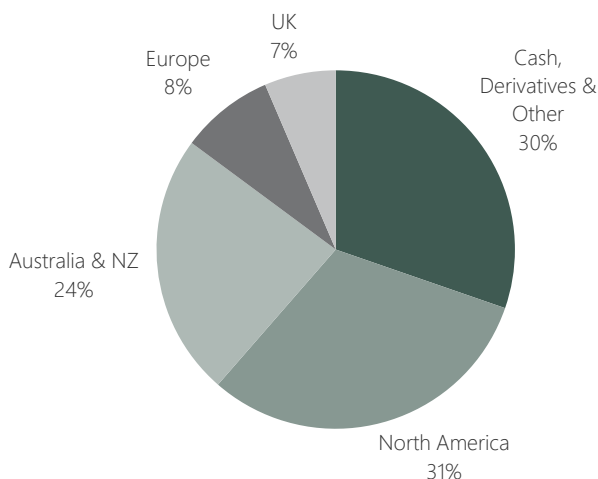
| Financial Year | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD ² |
|----------------|------|------|------|------|------|------|------|------|------|------|------|------|------------------|
| 2025 | 0.50 | 0.49 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | - | - | - | - | - | 3.56 |
| 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 |

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 | 19.8% |
| Sovereign, Quasi Sovereign, Municipal | 16.2% |
| RMBS | 4.8% |
| Electronics | 3.9% |
| Diversified/Conglomerate Service | 3.4% |

Pricing and Fees

| | |
|------------------------------|------------------|
| Unit frequency pricing | Daily |
| Management fee | 0.77% |
| Recoverable expenses | 0.00% (Jan 2025) |
| Buy/sell spread ³ | +0.200%/-0.200% |
| 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

January 2025

| 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

More information:

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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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