

Bentham Wholesale Syndicated Loan Fund

Monthly fact sheet – April 2017

Portfolio and Market Returns

The Bentham Wholesale Syndicated Loan Fund had a total return (after standard wholesale fees*) of 0.96 percent in the month of April, outperforming the benchmark Credit Suisse Leveraged Loan Index (hedged into AUD) after fees by 0.46 percent. On a before fees* basis the fund returned 1.02 percent for the month, outperforming the benchmark by 0.52 percent.

The April monthly distribution paid was 0.44%**.

Fund Statistics

At month end, the Fund had a yield to maturity of 6.24% and running yield of 5.88%, with the credit yield spread[^] decreasing by 16 basis points to 384 basis points during the month. The Fund had an interest rate duration of 0.54 years and credit duration of 3.81 years.

Leveraged Loan Market

The top performing leveraged loan industries in April were Energy, Manufacturing and Information Technology with returns (sector performance in USD terms) of 0.97%, 0.64% and 0.61% respectively. The worst performing loan industries were Utility, Metals/Minerals and Transportation with returns of -0.52%, 0.10% and 0.18% respectively.

The discount margin (3 year) for the Index decreased by 4 basis points during the month to 440 basis points.

Portfolio Exposures

The Fund's asset allocations are 78.4% in Syndicated Loans, 6.7% in High Yield Bonds, 4.6% in Collateralised Loan Obligations and 10.4% in Cash & Derivative Hedges.

The Fund's three largest industry exposures are 11.9% in Electronics, 10.8% in Diversified/Conglomerate Service and 5.9% in Chemicals, Plastics and Rubber. The Fund's top three company exposures are 1.2% in First Data Corporation, 1.0% in Valeant Pharmaceuticals and 0.9% in Ameristar Casinos. During the month, the Fund increased its exposure to The Almond Company, Tempo Acquisition and Endo Pharmaceuticals; with decreased exposures to H.C. Starck, BJ's Wholesale Club and Albertson's LLC.

* For information about return calculations after fees please refer to the tables on page 2.

** The monthly distribution return is calculated as the distribution amount declared for the month-end divided by the ex-distribution unit price at the start of the month. Bentham intends to achieve an average distribution rate of one month Australian Bank Bill Swap (BBSW) rate plus 3.50% - 4.00% p.a. of the monthly unit price for FY2017 with taxable income. If there is a shortfall of taxable income, the distribution could possibly include a capital return. The current distribution rate setting was based on the running yield of the Fund as at 30 June 2016 and assumes the Fund continues to achieve an equivalent yield for FY2017. Actual distributions, however, can differ from this setting because of future matters which are not known or able to be presently identified.

[^] Credit yield spread is yield to maturity above the AUD forward bank bill curve (duration adjusted swap rates).

Table 1: Portfolio Returns

As at 30 Apr 17	Total Return (after fees) ^o %	Gross Return (before fees) ^{oo} %	CS LL Index* (AUD) %	Active Return (after fees) %	Active Return (before fees) %	Std Dev	Tracking Error ^{^^}	Info Ratio [~]
1 Month	0.96	1.02	0.49	0.46	0.52			
3 Months	1.81	1.96	1.29	0.52	0.68			
6 Months	5.05	5.41	3.59	1.46	1.82			
1 Year	11.41	12.22	9.35	2.06	2.87	1.55	0.72	4.01
2 Year (p.a.)	5.96	6.84	5.33	0.63	1.51	3.61	1.01	1.50
3 Years (p.a.)	6.10	6.96	5.52	0.58	1.44	3.21	0.87	1.65
5 Years (p.a.)	7.78	8.67	7.01	0.77	1.65	2.70	0.79	2.09
7 Years (p.a.)	8.53	9.43	7.65	0.88	1.77	3.09	1.07	1.65
10 Years (p.a.)	7.88	8.78	6.72	1.16	2.06	8.30	1.88	1.09
Since Inception (p.a.)**	8.21	9.11	7.07	1.14	2.04	7.36	1.70	1.20
Positive months		130	129					
Negative months		23	24					
Positive months (%)		85.0	84.3					
Negative months (%)		15.0	15.7					
Fund Size AUD	\$4,363.1M							
Months since inception	153							

Source: Fidante Partners, State Street & Bloomberg

Past performance is not necessarily indicative of future performance. Returns may be volatile and may vary from year to year.

*Benchmark is the Credit Suisse Leveraged Loans Index (AUD Hedged).

**The inception date of the Fund is 16 August 2004.

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

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

^oTotal Returns (after fees and expenses) are calculated using pre-distribution month end withdrawal unit prices and assumes all distributions are reinvested.

^{oo}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.

^{ooo} Active Return is the difference between the Total Return or the Gross Return and the return of the Benchmark.

Table 2: Distribution History (% of Net Asset Value)*

Financial Year	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD* *
2017	0.45	0.47	0.44	0.45	0.45	0.45	0.44	0.45	0.45	0.44			4.81
2016	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.41	0.39	0.39	0.29	4.65
2015	0.47	0.48	0.47	0.47	0.47	0.49	0.48	0.45	0.43	0.44	0.43	1.33	6.53
2014	0.54	0.53	0.52	0.52	0.52	0.52	0.53	0.52	0.52	0.53	0.54	2.31	8.47
2013	0.64	0.68	0.67	0.66	0.66	0.64	0.63	0.62	0.61	0.62	0.61	0.59	8.20
2012	1.00	0.97	1.00	0.71	0.69	0.68	0.71	0.71	0.70	0.67	0.62	1.91	10.54
2011	0.74	0.73	0.74	0.74	0.75	0.75	0.74	0.92	0.92	0.91	0.92	4.15	14.12

Source: Fidante Partners.

Past distributions are no indication of future distributions.

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

** Annual Distribution Return (Year-to-Date) is calculated as the Total Return (after fees) minus Growth Return. Total Returns (after fees) are calculated using pre-distribution month end withdrawal unit price and assumes all distributions are reinvested. Growth Returns equal the percentage change in the unit price.

Contact us

Retail Investors: Fidante Partners Investor Services on 13 51 53.

Advisers: Fidante Partners Adviser Services on 1800 195 853 or your State Business Development Manager.

Institutional Investors / Consultants: institutional@benthamam.com

For more information

www.benthamam.com

Unless otherwise specified, any information contained in this publication is current as at the date of this publication and is provided by Fidante Partners Services Limited ABN 44 119 605 373, AFSL 320505 (Fidante Partners), the responsible entity and issuer of interests in the Bentham Wholesale Syndicated Loan Fund (Fund). Bentham Asset Management Pty Ltd ABN 92 140 833 674 AFSL 356199 (Bentham) is the investment manager of the Fund. It is intended to be general information only and not financial product advice and has been prepared without taking into account any person's objectives, financial situation or needs. Each person should, therefore, consider its appropriateness having regard to these matters and the information in the product disclosure statement (PDS) and any additional information brochure (AIB) for the Fund before deciding whether to acquire or continue to hold an interest in the Fund. If you acquire or hold an interest in the Fund, we will receive the fees and other benefits, which are disclosed in the PDS and any AIB for the Fund. Neither Fidante Partners nor a Fidante Partners related company and our respective employees receive any specific remuneration for any advice provided to you. However, financial advisers may receive fees or commissions if they provide advice to you or arrange for you to invest in the Fund. Bentham, some or all Fidante Partners related companies and directors of those companies may benefit from fees, commissions and other benefits received by another group company. Neither Fidante Partners nor any related party of Fidante Partners nor any investment manager nor any sub-adviser guarantees the repayment of your capital or the performance of any Fund or any particular taxation consequence of investing. Past performance is not a reliable indicator of future performance. The PDS and any AIB can be obtained from your financial adviser, our Investor Services team on 13 51 53, or on our website www.fidante.com.au. Please also refer to the Financial Services Guide on the Fidante Partners website.