



Bentham Asset Backed Securities Fund

Monthly fact sheet – July 2017

Portfolio and Market Returns

The Bentham Asset Backed Securities Fund had a total return (after fees*) of 0.40 in the month of July, outperforming the benchmark Bloomberg AusBond Bank Bill Index by 0.25 percent.

Fund Statistics

At month end, the Fund had a yield to maturity of 4.39% and running yield of 3.53%, with the credit yield spread decreasing by 7 basis points to 156 basis points during the month. The Fund had an interest rate duration of 0.35 years and credit duration of 4.57 years.

Portfolio Exposures

The Fund's asset allocations are 9.5% in Cash, 89.5% in Asset Backed Securities (including CLOs), 0.0% in Credit Misc and 1.0% in Derivative Hedges & FX Hedges.

The Fund's three largest industry exposures are 53.6% in CLO, 30.0% in RMBS, and 3.7% in Aerospace and Defense. The Fund's top three company exposures are 5.1% in Stanlington Plc - 2017-1, 4.6% in Shackleton Clo Ltd - 2017-10x and 4.5% in Ripon Mortgages - 1x. During the month, the Fund increased its exposure to KKR CLO Trust; with decreased exposures to Primus CLO Ltd and Rams Mortgage Securities Pty Ltd.

* For information about return calculations after fees please refer to Table 1.

^ Credit yield spread is yield to maturity above the duration adjusted risk free bond rate

Table 1: Portfolio Returns

6 Months	Total Return (after fees) ^o %	Gross Return (before fees) ^{oo} %	Benchmark* %	Active Return (after fees) %	Active Return (before fees) %	Std Dev	Tracking Error ^{^^}	Info Ratio [~]
1 Month	0.40	0.42	0.15	0.25	0.28			
3 Months	1.31	1.35	0.44	0.87	0.91			
6 Months	2.79	2.91	0.87	1.92	2.04			
Since Inception**	4.54	4.76	1.33	3.22	3.44			
Positive months		9	9					
Negative months		0	0					
Positive months (%)		100.0	100.0					
Negative months (%)		0.0	0.0					
Average monthly return (%)		0.52	0.15					
Fund Size AUD	\$92.8M							
Months since inception	9							

Source: Fidante Partners, State Street

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

*Benchmark is the Bloomberg Ausbond Bank Bill Index.

**The inception date of the fund is 31 October 2016

^^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.

^{oo} 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	Sep	Dec	Mar	Jun	YTD**
2018	0.00	0.00	0.00	0.00	0.28

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.

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