

### Fund Aim

To provide diversified exposure to securities across global credit markets, with the flexibility to adapt its credit and cash exposure to suit market conditions across the credit cycle, and deliver consistent levels of income.

### Fund Performance as at 30 June 2019

	1 month	3 months	6 months	1 year	2 years (p.a.)	Since inception (p.a.)
Gross return (before fees)	0.51	1.31	3.51	3.39	4.36	4.27
Benchmark	0.13	0.45	0.97	1.97	1.88	1.88
Active return (before fees) <sup>1</sup>	0.38	0.86	2.54	1.42	2.48	2.39

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

<sup>1</sup> Active Return of the Fund is the difference between the Gross Return (before fees) and the return of the Benchmark. Gross Returns (before fees) are calculated by adding back the fees and expenses deducted. Please refer to the Information Memorandum for more information on fees and expenses.

### Portfolio and Market Returns

The Bentham Global Opportunities Fund had a before fees return of 0.51% for the month, outperforming the benchmark by 0.38%. The top performing contributors to performance included Bank Capital Securities, Global Hybrids and Global Syndicated Loans; whilst the bottom performing contributors included Residential Mortgage Backed Securities (RMBS), Asset Backed Securities (ABS) and Bond.

### Portfolio Asset Allocation

During the month, exposures to Basis Trades, Cash and Residential Mortgage Backed Securities increased, whilst exposures to Global High Yield, Capital Securities and Global Syndicated Loans decreased. Current asset allocations are 2.5% in Global High Yield, 4.0% in Global Hybrids, 42.7% in Global Syndicated Loans, 12.9% in Capital Securities, 15.0% in Collateralised Loan Obligations, -0.4% in Investment Grade Corporate Credit, 3.3% in Residential Mortgage Backed Securities, 0.5% in Equity, 2.4% in Asset Backed Securities and 17.1% in Cash, Derivatives & Credit Hedged.

### Portfolio Industry and Issuer Exposures

The Fund's largest industry exposures are: 15.0% in CLO, 10.1% in Banking and 6.1% in Insurance. The Fund's top three company exposures are: 1.9% in Allianz SE, 1.8% in Cybg Plc and 1.7% in Bank Of Ireland Group.

### Leveraged Loan Market

The top performing leveraged loan industries in June were Aerospace, Food/Tobacco and Utility with returns (sector performance in USD terms) of 0.68%, 0.56% and 0.49% respectively. The worst performing loan industries were Metals/Minerals, Consumer Durables and Retail with returns of -1.72%, -0.73% and -0.72% respectively.

### Portfolio Summary Statistics

Yield to maturity	4.98%
Running yield	4.59%
Credit spread <sup>2</sup>	+347bps
Number of issuers	463
Interest rate duration	-0.06 years
Credit duration	4.20 years
Investment grade <sup>3</sup> exposure	33% of portfolio
Fund Leverage	0%
Fund size	A\$592,024,112

### Risk Characteristics

1 Year Volatility <sup>4</sup>	2.94
1 Year Sharpe Ratio <sup>5</sup>	0.48
1 Year Tracking Error <sup>6</sup>	2.92
1 Year Information Ratio <sup>7</sup>	0.49

### Fund Distributions

Distribution frequency	Quarterly
Quarterly distribution <sup>8</sup>	0.60% (Jun 2019)

<sup>2</sup> Spread over the swap rate.

<sup>3</sup> An assigned credit rating of BBB-/Baa3 or better by a credit rating agency.

<sup>4</sup> Volatility is Standard Deviation.

<sup>5</sup> Sharpe Ratio is the excess return over the Bloomberg AusBond Bank Bill Index (before fees) divided by Standard Deviation.

<sup>6</sup> Tracking Error is the Standard Deviation of the Active Return (before fees).

<sup>7</sup> Information Ratio is the Active Return (before fees) divided by the Tracking Error.

<sup>8</sup> 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.

**Quarterly Distribution Returns History (%)<sup>1</sup>**

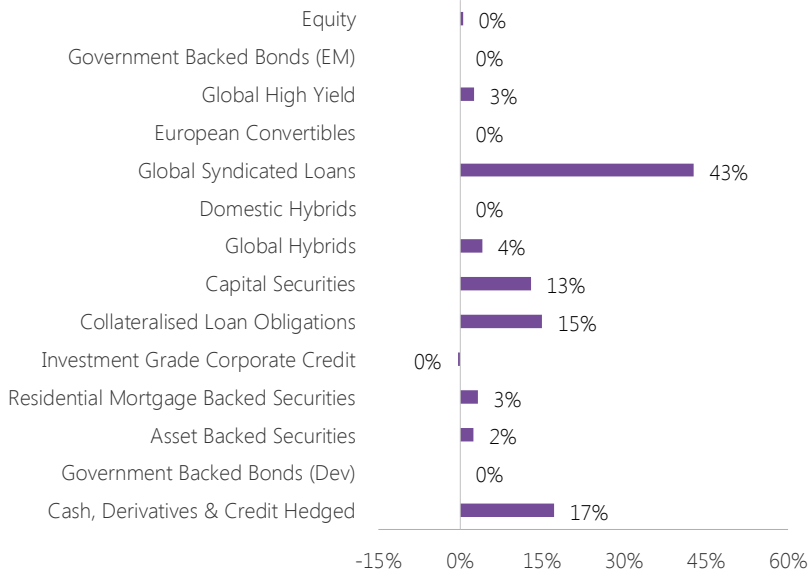
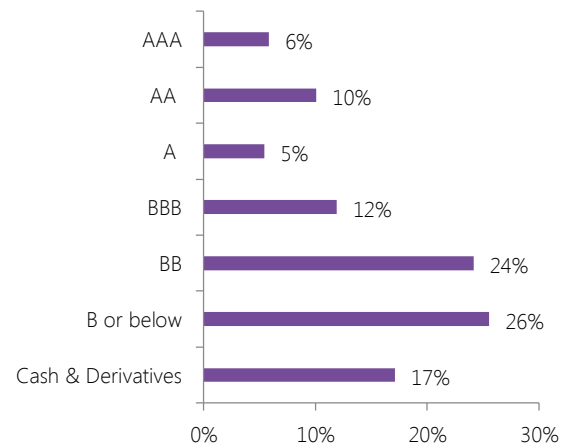
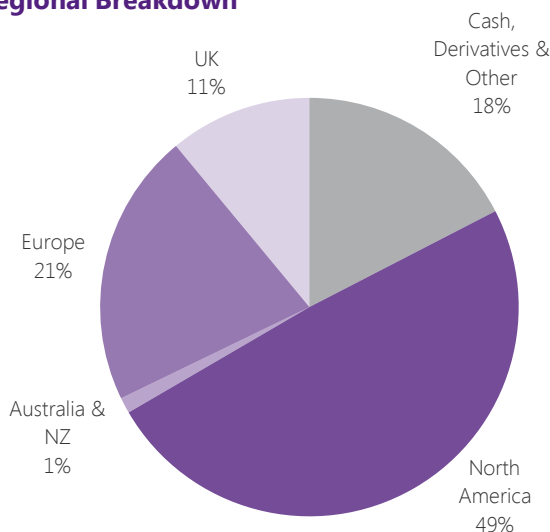
Financial Year	Sep	Dec	Mar	Jun	YTD <sup>2</sup>
2019	1.12	1.12	1.14	0.60	4.03
2018	0.30	0.55	0.49	0.98	2.41
2017				0.37	0.37

Source: Fidante Partners

Past distributions are no indication of future distributions.

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

<sup>2</sup> 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)**

CLO	15.0%
Banking	10.1%
Insurance	6.1%
Electronics	5.4%
Buildings and Real Estate	5.2%

Interest Rate Duration (yrs)	AUD	USD	EUR	GBP	Total
<b>Total</b>	0.10	-0.26	0.08	0.01	-0.06

**Fund Overview**

Portfolio Manager	Richard Quin
Inception date	08 June 2017
APIR code	HOW7031AU
Benchmark	Bloomberg AusBond Bank Bill Index
Performance objective	To exceed the Benchmark (cash) by 4% p.a. pre fees over rolling three year periods
Suggested investment time frame	Medium term, minimum 3 years
Investment universe	Global credit and fixed interest markets, including but not limited to, Australian and global hybrid securities, global high yield bonds, global syndicated loans, investment grade securities, global capital securities, asset backed securities, equities, and derivatives.
Credit quality	Actively managed
Interest rate exposure	Actively managed
Leverage	Up to 30% of gross asset value
Currency	AUD denominated, Bentham aims to hedge any foreign currency exposure back to AUD to between 85% and 115% of the NAV of the Fund.
Fund documentation	Information memorandum for wholesale investors

**Fund Overview (Cont.)**

Fund features	<ul style="list-style-type: none"> <li>• Diversified: Access to a highly diversified, multi sector global portfolio of credit securities that would otherwise not be available to investors in the domestic market.</li> <li>• Flexible: Actively managed Fund with the flexibility to adapt its credit and cash exposure to suit market conditions across the credit cycle, gravitating to markets with the highest risk adjusted returns. The Fund can be opportunistic when market dislocations arise and uses leverage in a deliberate and measured way when deemed appropriate.</li> <li>• Regular quarterly distributions</li> <li>• Daily unit pricing</li> </ul>
---------------	--

**Pricing and Fees**

Unit frequency pricing	Daily
Management fee (Class I)	1.00%
Recoverable expenses	0.05% p.a. estimate
Buy/sell spread <sup>1</sup>	+0.300%/-0.300%
Entry and exit fees	Nil
Minimum initial investment	A\$250,000

<sup>1</sup> 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.

**More information:**
**Fund Information (for Wholesale and Institutional investors):**

Daniel Conti, CAIA	Kate Harris
Senior Portfolio Specialist	Senior Portfolio Specialist
Bentham Asset Management	Bentham Asset Management
Tel. +61 2 9994 7923	Tel: +61 2 9994 7329
Email: daniel.conti@benthamam.com	Email: kate.harris@benthamam.com

Tyler Purviance, CFA
Portfolio Specialist
Bentham Asset Management
Tel: +61 2 9994 7929
Email: tyler.purviance@benthamam.com

**Fund Administration:** Fidante Partners Investor Services on 13 51 53 or [info@fidante.com.au](mailto:info@fidante.com.au)

**Advisers:** Please contact [funds@benthamam.com](mailto:funds@benthamam.com) or call 02 9994 7929

**Institutional Investors / Consultants / Researchers:** [institutional@benthamam.com](mailto:institutional@benthamam.com)

**Website:** [www.benthamam.com](http://www.benthamam.com)

**Information Memorandum:** [Bentham Global Opportunities Fund IM](#)

Unless otherwise specified, any information contained in this publication is current as at the date of this publication and is provided by Fidante Partners Limited ABN 94 002 835 592, AFSL 234 668 (Fidante Partners), the responsible entity and issuer of interests in the Bentham Global Opportunities 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 information memorandum (IM) for the Fund before deciding whether to acquire or continue to hold an interest in the Fund. This Fund is only offered to wholesale clients (as defined in the Corporations Act 2001). If you acquire or hold an interest in the Fund, we will receive the fees and other benefits, which are disclosed in the IM 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 IM can be obtained from your financial adviser, our Investor Services team on 13 51 53, or on our website [www.fidante.com.au](http://www.fidante.com.au). Please also refer to the Financial Services Guide on the Fidante Partners website.