BENTHAM ASSET MANAGEMENT

NZD

# Bentham Global Income PIE Fund NZD — October 2026

## Investment Objective

The Bentham Global Income PIE Fund (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 Oct 2026

| | 1 month | 3 months | 6 months | 1 year | 2 year | 3 year | Since inception (p.a.) |
|---|---|---|---|---|---|---|---|
| Gross return (before fees) | 1.54% | -0.18% | 1.00% | -1.13% | 2.37% | 5.80% | 4.52% |
| Net of Fees | 1.53% | -0.38% | 0.61% | -1.54% | 1.77% | 5.15% | 3.79% |
| Benchmark | 0.62% | 0.35% | 1.50% | 0.91% | 2.85% | 4.12% | 3.26% |

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

## Portfolio Returns

The Bentham Global Income PIE Fund NZD had a total return (after fees) of 1.53% in the month of October, outperforming the benchmark (50% Bloomberg AusBond Bank Bill Index (hedged to NZD), 50% Bloomberg AusBond Composite Index (hedged to NZD) by 0.91%.

The top contributors to performance included Investment Grade Credit, Capital Securities and Asset Backed Securities (ABS); whilst the bottom performing contributors included Global Syndicated Loans, Global High Yield and Bond.

## Market Update

October saw risk-off sentiment dominate markets. Bond returns provided protection in a poor month for risk assets (displaying a negative correlation to equities). The US 10-year bond yield rose to 5.30% before falling to 4.93% by the end of the month. The last time yields reached 5.30% was in December 2007, almost 19 years ago, encouraging technical buyers and short covering of treasury bonds.

Concerns emerged over how the AI build-out is being financed, as heavy hyperscaler bond issuance added supply and lifted the cost of capital. IG hyperscaler spreads widened about 35bp, while spreads on AI-related High Yield data centre credits widened 78bp in two weeks, against 22 bps for non-AI High Yield. Microsoft's $25bn issuance was its first since 2017.

US High Yield spreads widened from 308 bps to 338 bps by the end of October. Euro High Yield was a notable laggard, widening 59 bps over the month. Euro and US IG corporates performed strongly on an absolute basis, returning 2.05% and 0.91% respectively. Bonds were a standout, with the Australian 10-year rallying 27 bps from 5.40% to 5.13% over the month, while the US 10-year rallied 36 bps from 5.29% to 4.93%. Brent crude held near US$115 a barrel, as Iran-war tensions and escalating Saudi-Houthi hostilities kept supply risks front of mind throughout the month.

The US Federal Reserve held rates at 3.75–4.00% following September's hike, with two policymakers favouring a further increase, and markets are pricing a 25-basis-point rise in December. US midterm positioning intensified in October, with a "Blue Tsunami" increasingly in view as Democrats swept the House and the Senate, including notable wins in Texas. Democratic control of Congress also raises the potential for harsher regulation of AI, adding to the scrutiny already facing AI-related investment.

In Australia, inflation re-accelerated, with the September-quarter CPI rising 4.3% year on year. The RBA raised the cash rate by 25 basis points after month-end, in line with expectations, but markets read the surrounding commentary as dovish and are pricing it as potentially the last hike for a while. Rising unemployment supports this view, with the rate trending upwards and breaking its 36-month moving average, and NAB expects it to reach 5.4% by the end of 2027.

## Portfolio Summary Statistics

| | |
|---|---|
| Yield to maturity | 4.88% |
| Running yield | 3.70% |
| Credit spread[3] | +213bps |
| Number of issuers | 807 |
| Interest rate duration | 6.49 years |
| Credit duration | 2.82 years |
| Investment Grade Exposure[4] | 85% of portfolio |
| Fund size | NZ$193,602,014 |
| Strategy AUM | A$3,470,392,659 |
| Strategy Inception Date | 16-Sep-03 |

## Fund Distributions

| | |
|---|---|
| Distribution frequency | Monthly |
| Monthly distribution[9] | 0.31% |
| Target distribution rate (FY27)[10] | 3.50% |

[3] Spread over the swap rate.
[4] The investment grade expsure is calculated using a duration adjusted Moody's Weighted Average Rating Factor (WARF) for both the S&P and Moody's security credit ratings within a portfolio.
[5] Volatility is Standard Deviation.
[6] Sharpe Ratio is the excess return over the Bloomberg AusBond 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 FY2027 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 2026 and assumes the Fund continues to achieve an equivalent yield for FY2027. Actual distributions, however, can differ from this setting because of future matters which are not known or able to be presently identified.

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## Monthly Distribution Returns History (%)[1]

| Financial Year[2] | Jul | Aug | Sep | Oct[3] | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD[4] |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2026-2027 | 0.28% | 0.30% | 0.29% | 3.50% | | | | | | | | | 0.86% |
| 2025-2026 | 0.34% | 0.33% | 0.33% | 0.33% | 0.34% | 0.34% | 0.34% | 0.34% | 0.34% | 0.33% | 0.33% | 0.34% | 4.57% |
| 2024-2025 | 0.50% | 0.51% | 0.52% | 0.76% | 0.48% | 0.55% | 0.49% | 0.47% | 0.53% | 0.50% | 0.48% | 0.53% | 6.04% |
| 2023-2024 | - | 0.62% | 0.62% | 0.61% | 0.60% | 0.62% | 0.64% | 0.64% | 0.64% | 0.64% | 0.63% | 0.63% | 8.39% |

Source: Fundrock

**Past distributions are no indication of future distributions.**

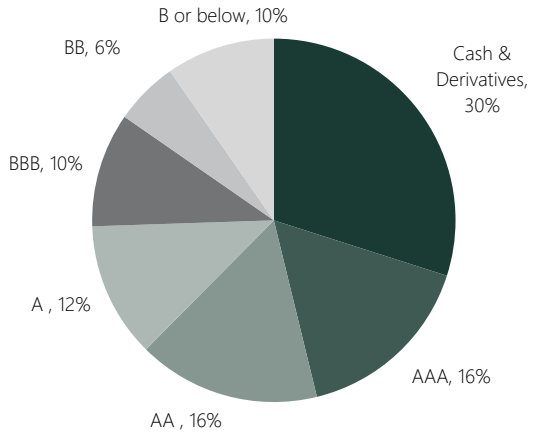
[1] Calculated as the cents per unit (CPU) distribution at month end divided by the ex-distribution unit price at the start of the month.

[2] Australian financial year.

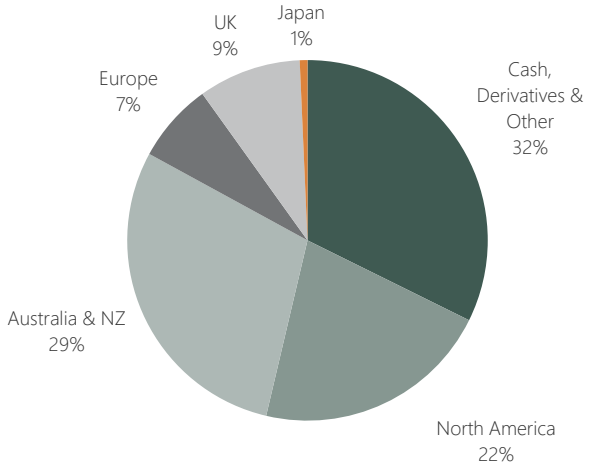
[3] In Oct-24, monthly distribution payments moved from start to the middle of the month, with Nov-24 being the first mid-month distribution, Oct-24 distribution was omitted.

[4] 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.

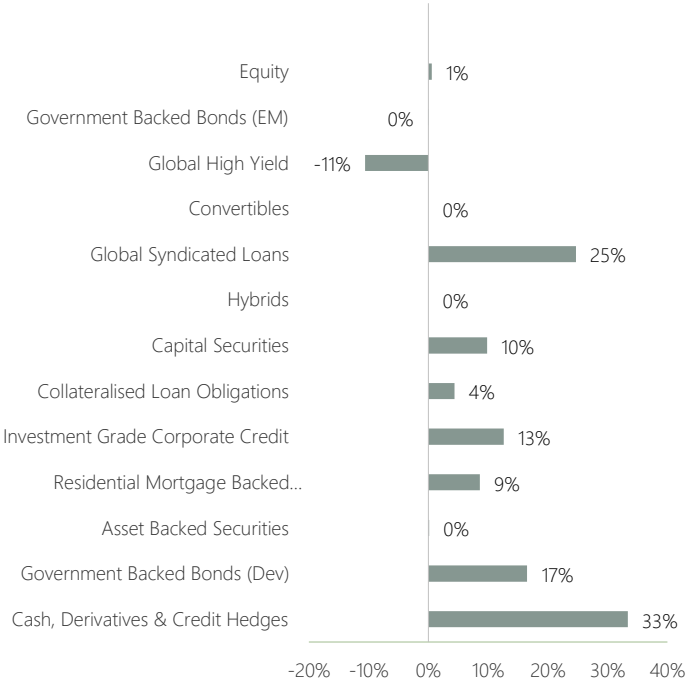
### Credit Rating Breakdown




### Regional Breakdown




### Portfolio Asset Allocation




### Top 5 Industry Exposures (Moody's SIC)

| | |
|---|---|
| Banking | 23.5% |
| Sovereign, Quasi Sovereign, Municipal | 17.0% |
| RMBS | 8.6% |
| Electronics | 4.6% |
| Diversified/Conglomerate Service | 4.4% |

### Pricing and Fees

| | |
|---|---|
| Unit frequency pricing | Daily |
| Management fee[3] | 0.83% |
| Buy/sell spread[4] | +0.21%/-0.21% |
| Entry and exit fees | Nil |
| Minimum initial investment | NZ$50,000 |

[3] Management fee includes GST.

[4] 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.

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# Bentham Global Income PIE Fund NZD October 2026

| Fund Overview | |
|---|---|
| Portfolio Manager | Richard Quin |
| Inception date | 11 April 2023 |
| 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 | • Active specialist management<br>• Access to global investment opportunities not typically available to direct retail investors<br>• Highly diversified portfolio<br>• Regular monthly distributions<br>• Daily unit pricing<br>• Strategy track record 20+ years<br>• Competitive fee |

More information:

Fund Information (for Wholesale and Institutional investors):


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

Kate Harris
Senior Portfolio Specialist
Bentham Asset Management
Tel: +61 2 9994 7329
Email: kate.harris@benthamam.com

David Livera
Director - Wholesale Distribution
Bentham Asset Management
Tel. +61 3 9947 9412
Email: david.livera@benthamam.com

René Tetteroo
Senior Distribution Manager
Bentham Asset Management
Tel: +61 402 720 471
Email: rene.tetteroo@benthamam.com

Joshua Poi
Business Development Manager
Bentham Asset Management
Tel. +61 2 9994 7977
Email: joshua.poi@benthamam.com

Craig Stanford, CFA
The Investment Store
Tel: 0800 99 00 55
Email:
Craig.Stanford@clarityfunds.co.nz


Retail Investors: Retail Investors: FundRock NZ Investor Services, +64 (0) 4 499 9654 or contact@fundrock.com
Advisers: New Zealand Advisers, contact The Investment Store on 0800 331 041
Institutional Investors / Consultants: Contact The Investment Store on 0800 331 041
Website: Documents and Reporting | FundRock New Zealand
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