

## Objective

Mason Stevens Credit Fund employs an active strategy that aims to provide regular income and capital stability. The Fund invests in high quality global securities and has a track record of low volatility and stable returns. The Fund invests in global interest rate securities such as corporate debt, hybrid and structured debt securities including residential mortgage-backed securities and asset-backed securities, that target income and yield.



Targets stable returns from high-quality, fixed income securities



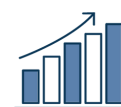
Access to investment opportunities that are typically reserved for institutions and professional investors



Dynamic management strategies to access and take full advantage of investment opportunities as they arise



Conservative risk management with monthly pricing and liquidity available through investment in quality assets.



Strong historical returns coupled with low volatility<sup>1</sup>.

## Features as at 31 March 2021

<b>Investment objective</b>	Aims to provide a return in excess of RBA Cash + 2.5% p.a. (after fees and expenses)
<b>Benchmark</b>	RBA Cash Rate
<b>Suggested investment timeframe</b>	3-5 years +
<b>Inception date</b>	31 May 2013
<b>Management fee</b>	0.94% p.a. <sup>2</sup>
<b>Minimum initial investment</b>	\$25,000
<b>Pricing</b>	Monthly
<b>Liquidity</b>	Monthly
<b>Distribution frequency</b>	Quarterly

## A solution for investors seeking:

A global, diversified fixed income portfolio

Regular income

To target capital stability over the medium term

## Meet the Managers

The highly experienced team with over \$1.2 billion<sup>3</sup> of fixed income investments under administration

- **Vincent Hua**, Chief Investment Officer (CIO)
- **Peter Liao**, Head of Research
- **Patrick Eng**, Head of Fixed Income
- **Annie Zhao**, Director - Fixed Income
- **Jesse Imer**, Fixed Income Investment Strategist
- **Mike Young**, Investment Analyst

<sup>1</sup> Past performance is not a reliable indicator of future performance.

<sup>2</sup> Calculated monthly (or more frequently as determined by the Responsible Entity) and reflected in the unit price.

<sup>3</sup> As at 31 March 2021



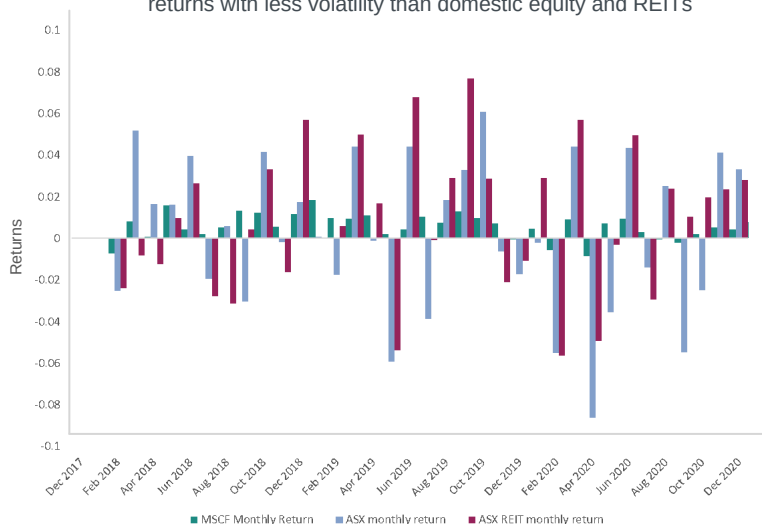


Investment universe	Bonds (corporate, bank, government), Subordinated Debt Securities, Hybrids, Residential Mortgage-Backed Securities (RMBS), Asset Backed Securities (ABS), Floating Rate Notes (FRN), Cash Deposits and Term Deposits, Securities may be unlisted or listed on an exchange
Average security rating	BBB+
Cash weighting range	0% - 100%
Maximum individual security weighting	10%
Sub-investment grade holding limit	5% <sup>4</sup>

## Why Invest in Fixed Income?

- **Predictability** – The regular income stream from fixed income investments can provide some predictability and stability to overall returns, unlike term deposits where capital is locked in.
- **Diversification potential** – Fixed income performance varies compared to equity and other financial asset markets.
- **Income generator** – Fixed income returns can provide a regular flow of income, as cashflows are known in advance of investment.
- **Risk-adjusted return** – Investing in credit can provide a repeatable and sustainable source of value in fixed income markets. Historically, investment returns from good quality credit assets have more than compensated investors for the risk of loss.
- **Less volatility** – Historically, Australian fixed income exhibits less volatility than domestic equity and REITs, as shown in the graph to the right.

Mason Stevens Credit Fund (MSCF) provides consistent monthly returns with less volatility than domestic equity and REITs



Source: Mason Stevens, Bloomberg as at 31 December 2020

## What To Be Aware Of

Before you make an investment decision, it is important that you understand the risks that can affect your investment being able to meet its objective or retain value.

The risks that may impact the Fund include, but are not limited to factors such as, market risk, company or security specific risk, and currency risk.

Please refer to the Product Disclosure Statement (PDS) for a full list of potential risks linked to the Fund.



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<sup>4</sup> Apart from a Major Australian Bank Additional Tier 1 Hybrid/Preferred Equity security, any new investment must initially have an investment grade weighting assigned to it by an external credit rating agency.

