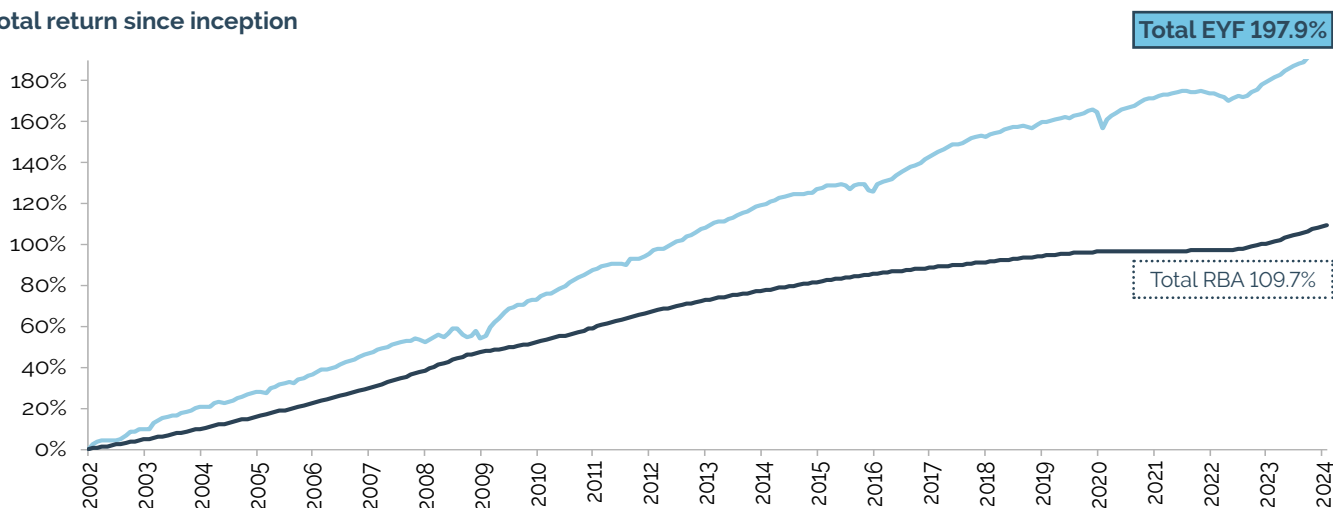


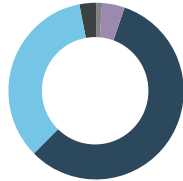
## Regular income, low volatility

Fund performance <sup>†</sup> (net of fees)	Inception date	Exit price (\$ cum)	1 Month	3 Months	6 Months	1 Year	3 Years pa	5 Years pa	7 Years pa	10 Years pa	Since inception pa
<b>Enhanced Yield Fund*</b>	<b>02-2002</b>	<b>1.1389</b>	<b>0.6%</b>	<b>1.5%</b>	<b>3.3%</b>	<b>6.2%</b>	<b>3.0%</b>	<b>2.8%</b>	<b>2.9%</b>	<b>3.1%</b>	<b>5.1%</b>
RBA cash rate			0.4%	1.1%	2.2%	4.2%	2.1%	1.5%	1.5%	1.7%	3.4%
<b>Excess</b>			<b>0.2%</b>	<b>0.4%</b>	<b>1.1%</b>	<b>2.0%</b>	<b>0.9%</b>	<b>1.3%</b>	<b>1.4%</b>	<b>1.4%</b>	<b>1.7%</b>
<b>Enhanced Yield Fund (Class B units)**</b>	<b>05-2017</b>	<b>1.1739</b>	<b>0.6%</b>	<b>1.6%</b>	<b>3.5%</b>	<b>6.5%</b>	<b>3.1%</b>	<b>3.0%</b>			<b>3.0%</b>
RBA cash rate			0.4%	1.1%	2.2%	4.2%	2.1%	1.5%			1.5%
<b>Excess</b>			<b>0.2%</b>	<b>0.5%</b>	<b>1.3%</b>	<b>2.3%</b>	<b>1.0%</b>	<b>1.5%</b>			<b>1.5%</b>

### Total return since inception



Calculations are based on exit price with distributions reinvested, after ongoing fees and expenses but excluding individual tax. Fund Inception 1 March 2002\*. These figures represent past performance only. No guarantees exist of future returns above or below these figures. Past performance is no indication of future performance. Neither PM Capital Limited nor any other person makes any representation as to the future performance or success of, the rate of income or capital return from, recovery of money invested in, or income tax or other taxation consequences of, any investment in the Fund.

Yield security maturity profile	100%	Portfolio investments	Current stock example	Actual exposure	
0-1 Year	40.8%	Global Banking	Lloyds	 <ul style="list-style-type: none"> <li>Cash/Cash Equivalents 2.9%</li> <li>Senior investment grade (&lt;12mths)* 34.5%</li> <li>Government Bonds 0%</li> <li>Core Corporate Bonds 57.3%</li> <li>Hybrid securities 4.1%</li> <li>Equity Income Strategies 1.2%</li> </ul>	
1-2 Years	27.4%	Domestic Banking	ANZ		
2-3 Years	20.5%	Global Industrial	SPIE		
3-4 Years	6.2%	Global Property	Aedas		
4 Years +	5.1%	Global Retail	Tesco		
		Domestic Infrastructure	Melbourne Airport		
		Domestic Industrial	Ampol		
<b>Regional allocation</b>	<b>100%</b>	<b>Risk/return</b>	<b>Duration<sup>^</sup></b>		
Australia	75.0%	Standard deviation (1 year)	0.64%	Interest rate	0.21
North America	7.7%	Maximum drawdown	3.26%	Average term to maturity	1.51
Europe	6.9%	Percentage of positive months	85.3%		
United Kingdom	6.4%				
Other	1.1%				
Cash/Cash equivalents	2.9%				

\* Senior investment grade securities with maturities of 12 months or less

<sup>^</sup>Estimates and should be used as a guide only.

## Fund commentary

- Solid performance in March, benefitting from strong contributions in numerous sectors and jurisdictions.
- Market continues to ignore central bank warnings. Government bond yields offer little upside.
- Fund has ample spare capacity to take advantage of near-term market volatility.

The Fund returned 0.5% for the month, with recent strong performers such as leading fuel distribution and convenience business Ampol performing well, as did the bonds of Spanish property company Aedas after announcing it was using its substantial free cashflow to buy back senior bonds.

Additionally, Irish property businesses Cairn Homes and Glenveagh performed well as they appear to be well on track to exceed cashflow expectations this year.

The US Federal Reserve continued to highlight concerns around the pace of inflation and strengths within the retail and business sectors. We believe that these concerns are far from reflected in bond market pricing. The Reserve Bank of Australia highlighted similar concerns but again, bond markets chose to largely ignore them.

Given the considerable easing cycle currently priced into both US and Australian bond markets, we genuinely believe that fixed rate government bond yields represent poor value for investors. With Australian three to five year government bonds yielding around 3.5%, and even ten year bonds ending the quarter below 4%, we would much rather own recently purchased floating rate bonds in banking giants ING at over 5% and HSBC at over 6%, without the fixed rate bond risk.

If at some point we observe bond markets reflecting what we would consider to be a more sensible path for official cash rates, we have ample capacity to add fixed interest rate risk back into the portfolio. In the interim, we are happy with our predominately floating rate portfolio.

### Monthly Return Series (From January 2005)\*

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	CYTD
2024	0.5%	0.5%	0.6%										1.5%
2023	1.1%	0.4%	0.4%	0.4%	0.4%	0.6%	0.5%	0.5%	0.3%	0.1%	0.9%	0.7%	6.3%
2022	0.0%	-0.3%	0.0%	-0.4%	-0.3%	-0.7%	0.6%	0.4%	-0.4%	0.4%	0.6%	0.4%	0.2%
2021	0.2%	0.1%	0.4%	0.3%	0.1%	0.2%	0.2%	0.2%	0.0%	-0.3%	0.0%	0.2%	1.6%
2020	0.2%	-0.3%	-3.2%	1.8%	0.5%	0.6%	0.6%	0.2%	0.1%	0.4%	0.7%	0.3%	2.1%
2019	0.7%	0.4%	0.2%	0.3%	0.1%	0.4%	0.2%	-0.1%	0.4%	0.3%	0.2%	0.3%	3.3%
2018	0.3%	-0.2%	0.3%	0.4%	0.2%	0.3%	0.2%	0.3%	0.1%	0.1%	-0.2%	-0.2%	1.6%
2017	0.7%	0.7%	0.4%	0.4%	0.6%	0.5%	0.4%	0.2%	0.2%	0.5%	0.3%	0.3%	5.3%
2016	-1.1%	-0.3%	1.5%	0.6%	0.3%	0.2%	0.8%	0.7%	0.7%	0.5%	0.2%	0.6%	4.6%
2015	0.0%	0.7%	0.3%	0.5%	0.1%	-0.2%	0.3%	-0.1%	-0.8%	0.8%	0.2%	0.0%	1.7%
2014	0.5%	0.3%	0.3%	0.5%	0.4%	0.5%	0.3%	0.2%	0.2%	0.1%	0.0%	0.3%	3.7%
2013	0.7%	0.4%	0.7%	0.5%	0.5%	-0.1%	0.6%	0.4%	0.5%	0.6%	0.1%	0.7%	5.6%
2012	0.7%	0.6%	0.7%	0.4%	0.1%	0.5%	0.7%	0.5%	0.5%	0.7%	0.4%	0.6%	6.6%
2011	0.4%	0.8%	0.4%	0.6%	0.3%	0.2%	0.1%	0.0%	-0.5%	1.6%	0.2%	0.0%	4.3%
2010	0.5%	0.0%	0.9%	0.8%	0.0%	0.6%	0.9%	0.5%	1.1%	0.7%	0.5%	0.8%	7.5%
2009	1.5%	-2.3%	1.0%	2.5%	1.5%	1.4%	1.6%	1.1%	0.3%	0.6%	0.2%	1.0%	11.0%
2008	-0.4%	-0.6%	0.6%	1.0%	0.5%	-0.7%	1.3%	1.4%	0.2%	-1.9%	-1.0%	0.5%	0.8%
2007	0.6%	0.5%	0.5%	0.6%	0.6%	0.4%	0.5%	0.6%	0.4%	0.4%	0.1%	0.6%	6.0%
2006	1.0%	0.4%	0.6%	0.8%	0.2%	0.5%	0.5%	0.9%	0.5%	0.6%	0.8%	0.8%	7.7%

Find the complete historical monthly return series since inception at: [pmcapital.com.au/enhanced-yield-fund/investor-resources](http://pmcapital.com.au/enhanced-yield-fund/investor-resources).

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## Key Fund Details

### Fund category

Fixed income

### Investment style

Fundamental, bottom-up-research intensive approach

### Inception date

1 March 2002

### Fund size

\$5571 million

### Strategy size

\$802.8 million

### Minimum direct investment

\$20,000

### Recommended investment time

Two years plus

### Fees (pa)

\*Performance Fee Option:

Management fee: 0.55%.

Performance fee: 25% of net excess above RBA Cash Rate (subject to a high watermark).

\*\*Management Fee Option - Class B units:

Management Fee: 0.79%.

### Buy/sell spread

+/- 0.10%

### Investor profile

The Fund may be appropriate for investors seeking capital preservation and potential return in excess of the Reserve Bank of Australia's (RBA) cash rate with a low degree of volatility.

## Important Notice

This Report is issued by PM Capital Limited ABN 69 083 644 731 AFSL 230222 as responsible entity for the PM Capital Enhanced Yield Fund (ARSN 099 581 558, the 'Fund'). It contains summary information only to provide an insight into how we make our investment decisions. This information does not constitute advice or a recommendation, and is subject to change without notice. It does not take into account the objectives, financial situation or needs of any investor which should be considered before investing. Investors should consider the Target Market Determinations and the current Product Disclosure Statement (which are available from us), and obtain their own financial advice, prior to making an investment. The PDS explains how the Fund's Net Asset Value is calculated. Past performance is not a reliable guide to future performance and the capital and income of any investment may go down as well as up. The investment objective is not a forecast, and is only an indication of what the investment strategy aims to achieve over the medium to long term.

1. Returns are calculated from exit price to exit price assuming the reinvestment of distributions for the period as stated and represent the combined income and capital return. The Index is RBA Cash Rate. See [www.rba.gov.au](http://www.rba.gov.au) for further information.

\* after fees

### Further information

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