



Enhanced Yield Fund

A benchmark unaware portfolio of income securities from around the world, providing steady income and capital stability.

Fund profile



Meet the Manager

Jarod Dawson

Jarod has managed the PM Capital Enhanced Yield Fund since joining PM Capital in 2004.

Jarod is a senior member of the 8 person-strong PM Capital Investment Team that is made up of portfolio managers and analysts with deep experience. He also sits on the PM Capital Board of Directors.

Jarod's experience

Industry - 25 years
PM Capital - 17 years

Team's experience (average)

Industry - 22 years
PM Capital - 14 years



Why invest in the Fund?



Capital stability and steady Income

The Fund's investment philosophy seeks to provide a consistent income stream whilst preserving capital.



Attractive returns

The Fund has experienced just 32 negative performance months out of a total of 239 months since its inception 20 years ago in February 2002 (~90% positive months since inception). The Fund's return profile may also be significantly different to that of more traditional fixed income funds.



No Material currency risk

There is no material currency exposure in the Fund; foreign currency investments are hedged back to Australian Dollars.



Global anomalies

The Fund is built security by security, handpicked by the PM Capital team from investment markets around the world. It represents what we believe to be the true anomalies in global credit markets and is not just a collection of investments contained within an arbitrary index.



Virtually zero interest rate duration

With almost no interest rate duration and a portfolio of primarily floating rate investments, the Fund should be well insulated from the continued normalisation of global interest rates. Indeed, the Fund should benefit as its floating rate investments reset in line with higher interest rates over time.



Co-investment

The Fund was originally designed to invest PM Capital's owned retained earnings and PM Capital still has a material investment in the Fund today. Your capital is sitting alongside ours.



"We believe the easy money in credit has been made and having a broad exposure to credit markets in general will probably not get investors the outcomes they are looking for over the next couple of years. We genuinely believe that investors will need to be far more selective when allocating capital to global credit markets over the next couple of years. Patience and discipline - focussing purely on market anomalies - will be key."

Jarod Dawson

Fund objective

To provide investors a return in excess of the Reserve Bank of Australia's (RBA) cash rate. The Fund aims to outperform the RBA cash rate with a low degree of volatility and minimal risk of capital loss.

The Fund is suited for investors seeking:

- a steady source of income, with a low degree of volatility, and an emphasis on capital preservation;
- access to a portfolio of stand-out income securities and not just a cross section of the broader market;
- a fund in which each investment has been intensively researched;
- a fund which has a longstanding history of delivering consistent returns.

Highly rated



The Fund is available through most platforms and now on mFund. See our website for a full list.

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 recommendations, 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 risks, a copy of the current Product Disclosure Statement and the Target Market Determination which are available from us, and seek their own financial advice prior to investing. 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 due to various market forces. 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. 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 for further information.

Key Fund Facts

Fund category

Fixed income

Investment style

Fundamental, bottom-up research-intensive approach

Inception date

1 March 2002

Fund size

\$538.8 Million

Strategy size

\$777.3 Million

Number of stocks

As a guide, 30-50 stocks

Currency

100% hedged back to AUD

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

- Management Fee: 0.79%.

Distribution frequency

Quarterly

Buy/ sell spread

0.15% (Round trip)

Dealing frequency

Daily

APIR Code

PMCO103AU

mFund Code

PML01

PML02 (Class B)

Further Information

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