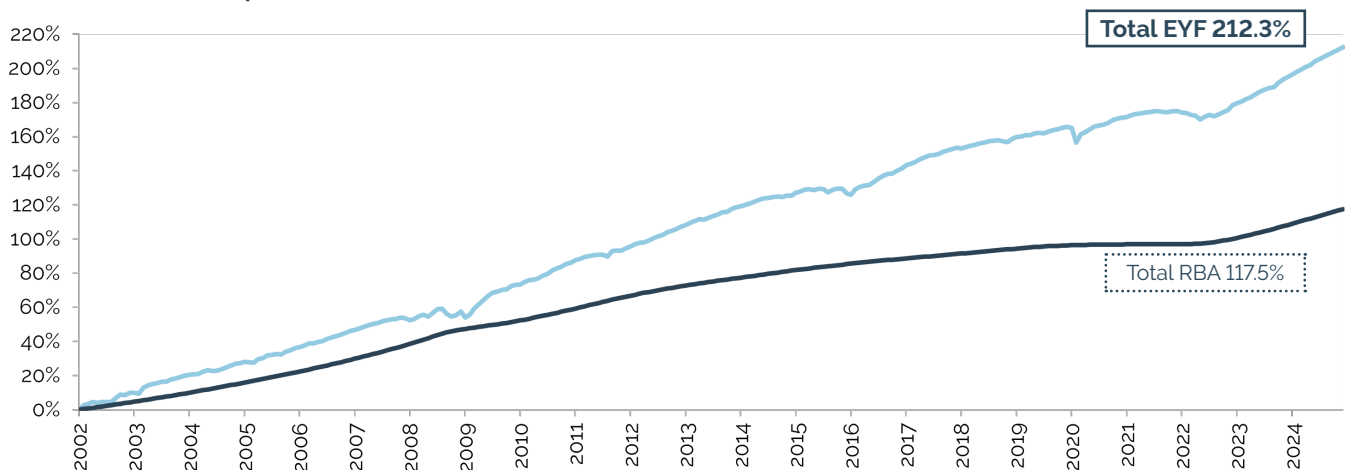


# Monthly update Enhanced Yield Fund

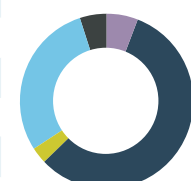
## Seeking regular income, low volatility

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>1.1452</b>	<b>0.5%</b>	<b>1.4%</b>	<b>2.7%</b>	<b>6.0%</b>	<b>4.4%</b>	<b>3.3%</b>	<b>3.0%</b>	<b>3.3%</b>	<b>5.1%</b>
RBA cash rate			0.4%	1.1%	2.2%	4.4%	3.3%	2.1%	1.9%	1.8%	3.4%
<b>Excess</b>			<b>0.1%</b>	<b>0.3%</b>	<b>0.5%</b>	<b>1.6%</b>	<b>1.1%</b>	<b>1.2%</b>	<b>1.1%</b>	<b>1.5%</b>	<b>1.7%</b>
<b>Enhanced Yield Fund (Class B units)**</b>	<b>05-2017</b>	<b>1.1828</b>	<b>0.5%</b>	<b>1.4%</b>	<b>2.8%</b>	<b>6.2%</b>	<b>4.5%</b>	<b>3.5%</b>	<b>3.2%</b>		<b>3.3%</b>
RBA cash rate			0.4%	1.1%	2.2%	4.4%	3.3%	2.1%	1.9%		1.8%
<b>Excess</b>			<b>0.1%</b>	<b>0.3%</b>	<b>0.6%</b>	<b>1.8%</b>	<b>1.2%</b>	<b>1.4%</b>	<b>1.3%</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 security example	Actual exposure	
0-1 Year	47.0%	Global Banking	Lloyds	 <ul style="list-style-type: none"> <li>Cash/Cash Equivalents 5.0%</li> <li>Senior investment grade (&lt;12months) 29.0%</li> <li>Government Bonds 3.0%</li> <li>Core Corporate Bonds 57.0%</li> <li>Hybrid securities 6.0%</li> </ul>	
1-2 Years	22.0%	Domestic Banking	ANZ		
2-3 Years	16.0%	Global Industrial	SPIE		
3-4 Years	9.0%	Global Property	Aedas		
4 Years +	6.0%	Global Retail	Tesco		
		Domestic Infrastructure	Melbourne Airport		
Regional allocation	100%	Domestic Industrial	Ampol	* Senior investment grade securities with maturities of 12 months or less	
Australia	75.0%	Risk/return		Duration <sup>^</sup>	
United Kingdom	6.0%	Standard deviation (1 year)	0.36%	Interest rate	0.42
North America	5.0%	Maximum drawdown	3.26%	Average term to maturity	1.46
Europe	4.0%	Percentage of positive months	85.8%	^Estimates and should be used as a guide only.	
Other	5.0%				
Cash/Cash equivalents	5.0%				

## Fund commentary

The Fund delivered solid performance in January despite market volatility. Benchmark yields fluctuated by around 0.25% in both directions, ultimately resulting in yields ending the month effectively unchanged.

Investor sentiment remains largely driven by conflicting views on the potential impact of Trump's extended tariff policies. Our perspective is that as more retaliatory measures are imposed against the U.S., the long-term effect could be softer global growth.

A key contributor to performance was our holding in the subordinated bonds of **AusNet**, a leading electricity and gas network utility. The company announced an on-market buyback of this bond at a price well above market. We are currently evaluating the specifics of the buyback.

Other positive contributors included major Australian rail freight infrastructure business **Aurizon**, and dominant UK supermarket chain **Tesco**.

We took advantage of recent market volatility to increase our holdings in the **Australian Stock Exchange**, as well as infrastructure businesses, including **Brisbane Airport** and **Auckland Airport**. Additionally, we added to our global banking exposures, increasing positions in UK retail bank **Lloyds** and **Bank of America**.

We continue to hold significant capital reserves, ready to deploy into new opportunities as they arise.

### Monthly Return Series (From January 2010)\*

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	CYTD
2025	0.5%												
2024	0.5%	0.5%	0.6%	0.4%	0.6%	0.3%	0.7%	0.5%	0.4%	0.5%	0.4%	0.4%	6.0%
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%

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)

## Further information

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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

\$619.6 million

### Strategy size

\$887.8 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 Determination and the current Product Disclosure Statement (which are available on the PM Capital website), 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

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