

Merlon Australian Share Income Fund

Monthly Fact Sheet - October 2024

For queries, please call Investor Services on 1300 721 637



Fund Features

Sustainable income: Paid monthly and majority franked. As the Fund's name suggests, sustainable above-market income is a targeted outcome of our investment approach and a key objective of the Fund.

Proven Investment Philosophy: We believe people are motivated by short-term outcomes, overemphasise recent information and are uncomfortable having unpopular views.

Portfolio diversification: The benchmark unaware approach to portfolio construction is a key structural feature, especially given the concentrated nature of the ASX200 index.

Downside protection: In addition to placing a heavy emphasis on capital preservation through our fundamental research, we use derivatives to reduce the Fund's market exposure and risk by 30% whilst still retaining all of the dividends and franking credits from the portfolio.

Integrated ESG Approach: We believe deep consideration of governance, social as well as environmental issues – coupled with active ownership – enhances investment, business and community outcomes.

Fund Facts

Portfolio managers	Neil Margolis & Andrew Fraser
Fund inception date	30 th September 2005
Merlon FUM	\$827m
Strategy FUM	\$662m
Fund FUM	\$503m
Management fee	0.95% p.a
Fund objective⁵	The Fund aims to provide a higher level of tax effective income with a lower level of risk than the S&P/ASX 200 Accumulation Index, whilst also aiming to outperform the benchmark on a total return basis over the medium to long term.
Minimum Investment	\$10,000
Suggested timeframe	At least 5 years
Buy/Sell Spread	+0.20% / -0.20%
Distribution Frequency	Monthly
APIR Code / ASX Code	HBC0011AU / MLO02

Top Ten Holdings (Alphabetical)

AMP	Insurance Australia Group
ASX	QBE Insurance
BHP Billiton	Ramsay Health Care
Coles	Westpac
Fletcher Building	Woolworths

Fund Performance (net of fees)

% ¹	Fund	Benchmark ²	Yield ⁴
Since Inception (p.a.)	7.6	7.4	9.3
10 Years (p.a.)	7.8	7.6	7.0
5 Years (p.a.)	8.7	7.5	6.5
3 Years (p.a.)	10.7	7.6	6.3
1 Year	16.8	19.4	6.3
FYTD	2.2	5.3	2.0
CYTD	10.5	9.5	5.0
Quarter	-1.4	2.2	1.5
Month	-1.1	-0.8	0.4

¹Performance figures are calculated after fees have been deducted and assume distributions have been reinvested. All returns are grossed up for franking credits. No allowance is made for tax when calculating these figures. Past performance is not a reliable indicator of future performance.

²The Fund's benchmark is a composite of 70% S&P/ASX 200 Accumulation Index / 30% Bloomberg Ausbond Bank Bill Index and is used for all time periods. From 30 September 2005 to 16 May 2022, the Fund's benchmark was the S&P/ASX 200 Accumulation Index.

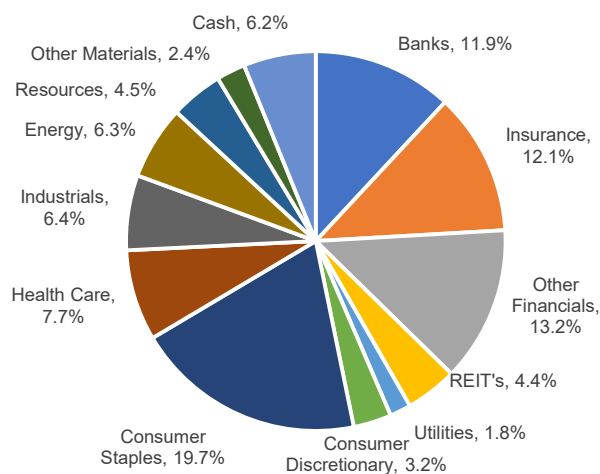
³The Inception Date for the Fund is 30 September 2005

⁴Yield represents the Gross distribution yield (inclusive of franking credits)

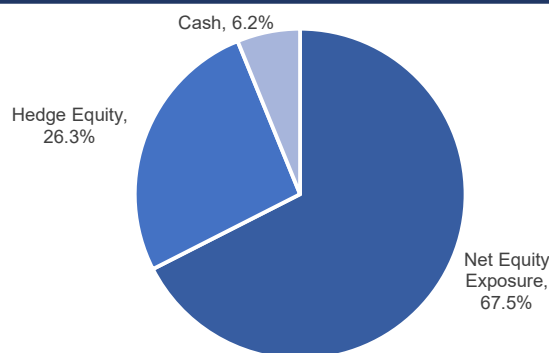
⁵In line with the Fund's benchmark change, the Fund's objective was also amended on 16 May 2022 to include a total return objective.

Source: Fidante Partners Limited, 31 October 2024.

Sector Exposures



Asset Allocation



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