

Update May 2021

Alexander Credit Opportunities Fund

The Alexander Credit Opportunities Fund (the Fund) is a diversified portfolio of fixed income investments with a proven track record of delivering regular income, growth and capital stability for its clients.

Investment Objective

The Fund has an absolute return target above the benchmark in both rising and falling markets. The benchmark is the Bloomberg AusBond Bank Bill Index plus 2% per annum.

Fund Update

The Fund generated a return of 0.45% in May, 1.33% for the previous three months, and 6.91% compounded over the past 12 months. The Net Asset Value¹ (NAV) of the Fund as at 31 May 2021 was \$245.77m and the redemption price was 1.369161².

Credit markets and government bonds were largely unchanged in May, while equities saw modest increases. Governments committing to additional fiscal policy measures both domestically and in the US helped support risk assets. In Australia, the federal government announced an expansionary government budget in early May which, combined with very supportive monetary policy, has underpinned the market's expectations for growth for the remainder of 2021. Beyond that, investors globally are debating the potential impact on inflation of combined monetary and fiscal programs and some of the expected structural change in labour markets due to the impact of COVID.

While corporate bond spreads remained tightly priced over the month, structured credit spreads continued to rally as investors were attracted by the yield premium on offer. Overall, opportunities within private markets are consistently presenting the best risk adjusted returns.

We remain conscious of the impact on financial markets from the uneven recovery from COVID across different geographies and industries. As such we continue to structure the Fund with a low credit duration and high running yield.

At the end of the month the Fund had an average credit duration of 1.61 years and the yield-to-maturity of the portfolio was 5.73%³.

Further Information

For further information, please contact Alexander Funds:
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www.alexanderfunds.com.au/alexander-credit-opportunities-fund/

1 The value of the Fund's assets less the liabilities of the Fund net of fees, costs and taxes.

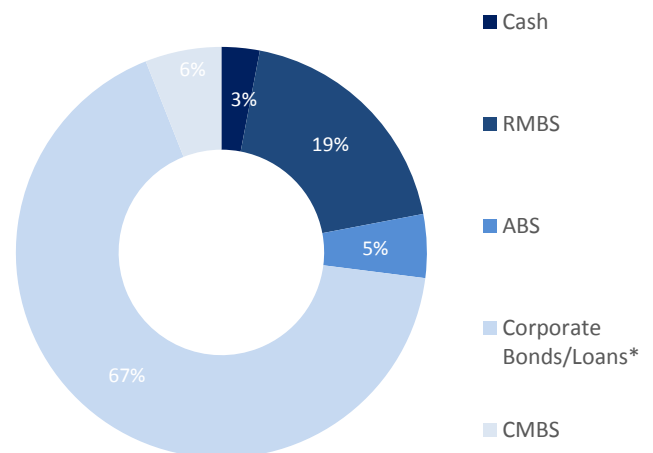
2. The redemption price is calculated by decreasing the NAV price by the sell spread (currently 0.25%). The NAV price is the NAV divided by the Units on issue.

3. before fees

Fund Performance	
Period	Returns
1 Month	0.45%
3 Months	1.33%
12 Months	6.91%
3 Years	4.72% pa
5 Years	5.42% pa
Annualised Since Inception	11.89% pa

The monthly return is an actual return net of all fees, costs and taxes generated by dividing the redemption unit price by the previous month's redemption unit price. The "Since Inception" return is a per annum return. Note that past performance is no indication of future returns. The Mid Price Return is for illustrative purposes only and does not reflect the actual return achieved if funds are redeemed.

Portfolio Composition ^



^ net of hedges

*approx. 67% is an indirect exposure to corporate credit through investments in underlying unit trusts.

Fund Statistics	
Fund Size (million)	\$247.17
Credit Duration (years)	1.61
Yield to Maturity (before fees)	5.73%
Interest Rate Duration (years)	0.12
Average Credit Rating	BBB

Alexander Credit Opportunities Fund

The Fund At A Glance	
Investment Manager	Alexander Funds Management Pty Ltd
Responsible Entity	Equity Trustees Limited
Fund Inception Date	October 2009
Recommended Investment Timeframe	3-5 years
Distribution Frequency	Quarterly ¹ (distributions may be reinvested)
Minimum Applications	\$25,000
Management Fees	1.33% per annum of the Fund's weighted average Net Asset Value (NAV) ²
Performance Fees	20.5% of return achieved above Fund Benchmark ⁴
Buy/Sell Spreads	+0.25% on entry and - 0.25% on exit ³
Applications/ Withdrawals	Weekly

Platform Availability
Hub24
Netwealth
Powerwrap
Praemium

*Disclaimer and Confidentiality

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1. Distributions are not guaranteed
2. Please consult the PDS for full explanation of fees and costs
3. These spreads may change depending on the liquidity of the assets within the fund at the time of entry or exit
4. Performance fee is subject to a High Water Mark