

**SEPTEMBER 2022, AT A GLANCE:**

- 9.9% p.a. yield<sup>2</sup> since inception<sup>1</sup>
- Plato is aiming to generate a FY23 gross yield<sup>2</sup> of around 9%
- 0.9% p.a. outperformance (after fees) vs benchmark since inception<sup>1</sup>



PERFORMANCE AFTER FEES	1 MTH %	3 MTH %	1 YR % P.A.	3 YRS % P.A.	5 YRS % P.A.	10 YRS % P.A.	INCEPTION <sup>1</sup> % P.A.
FUND TOTAL RETURN <sup>2</sup>	-4.3	2.7	-1.6	5.1	9.0	10.7	11.0
INCOME <sup>2</sup>	3.0	3.0	14.4	10.2	10.9	9.9	9.9
CAPITAL GROWTH	-7.3	-0.3	-16.0	-5.1	-1.9	0.8	1.1
BENCH. TOTAL RETURN	-5.7	1.1	-6.2	4.0	8.3	10.0	10.1
EXCESS TOTAL RETURN <sup>2</sup>	1.4	1.6	4.6	1.1	0.7	0.7	0.9
EXCESS INCOME <sup>2</sup>	1.3	0.5	8.4	5.2	5.6	4.3	4.2
EXCESS FRANKING	0.4	0.2	2.7	1.7	1.8	1.4	1.3

<sup>1</sup>Inception date 9 September 2011.

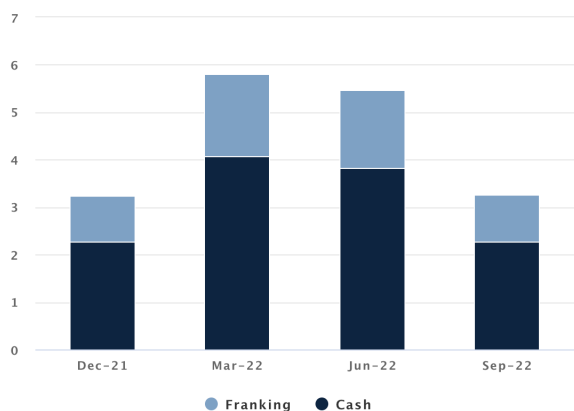
<sup>2</sup>Including franking credits. The 1 month number in Jan, Feb, Apr, May, July, Aug, Oct and Nov include the accrued but not distributed income.

<sup>3</sup>Benchmark is the S&P/ASX 200 Franking Credit Adjusted Daily Total Return Index (Tax-Exempt).

All data is as at 30 September 2022 unless indicated otherwise.

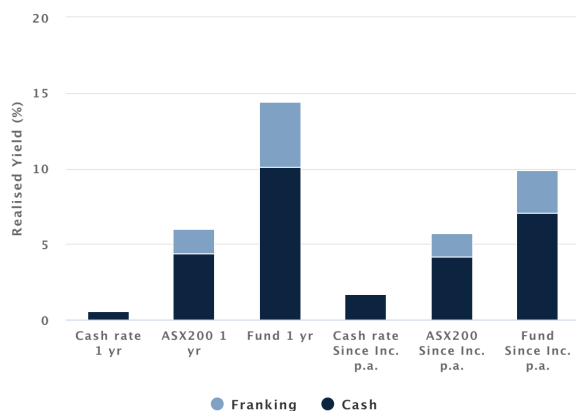
Fund returns are after applicable fees, costs and taxes. All p.a. returns are annualised. Past performance is not a reliable indicator of future performance.

**DISTRIBUTION HISTORY**



Source: Plato Investment Management

**REALISED YIELD**



Source: Iress, Plato Investment Management

Cash rate = RBA Cash Rate

ASX200 = S&P/ASX 200 Franking Credit Adjusted Daily Total Return Index (Tax-Exempt)

Fund = Plato Australian Shares Income Fund.

**SUMMARY**

As at 30 September 2022, the Plato Australian Shares Income Fund ('Fund') delivered a total after fee return of 11.0% p.a.<sup>2</sup> and a yield of 9.9% p.a.<sup>2</sup> (incl. franking) since inception<sup>1</sup> compared to the S&P/ASX 200 Franking Credit Adjusted Daily Total Return Index (Tax-Exempt) ('Benchmark') return of 10.1% p.a.<sup>2</sup> and a yield of 5.7% p.a.<sup>2</sup>

At the end of September, the Fund made a cash distribution of 2.28c with 0.98c of franking credits attached, taking the annual gross yield to 14.4%. This large annual yield has been boosted by a number of off market buybacks as well as a large special dividend from BHP which came in the form of the Woodside shares with franking credits attached.

The Australian market fell 5.7% (including franking credits) in September, along with global markets driven by rapid tightening of interest rates and hawkish commentary coming out of the U.S. Federal Reserve as a result of persistent high inflation. The RBA cash target rate again rose 50bps from 1.85% to 2.35% and the Aussie 10 year bond yield rose 30bps to 3.90%. Materials and Energy were the best performing sectors in this rising inflation/interest rate environment but similar to August, rising bond yields impacted the rate sensitive Utilities, Real Estate and Technology sectors which underperformed. Small Caps also significantly underperformed Large Caps during September as investors sought safety in the current risk off sentiment.

The largest positive contributors to the Fund's performance during the month overweight positions in BHP, New Hope, Whitehaven Coal and Woodside Energy, as well as an underweight position in Transurban. However, overweight positions in Macquarie, Goodman Group and Charter Hall, as well as underweight positions in Pilbara Minerals and Rio Tinto detracted from relative performance.

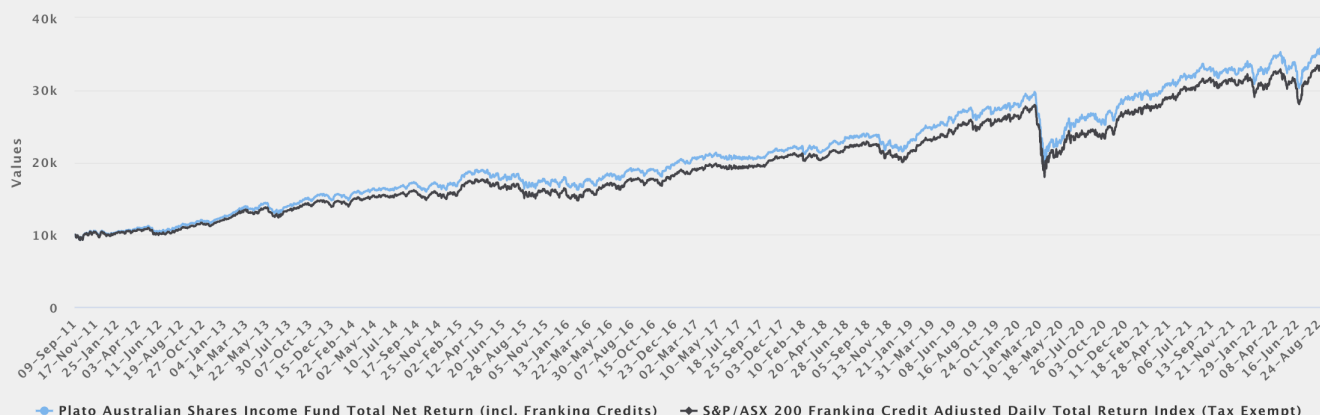
The Fund remains actively positioned to seek superior income than the benchmark. After a very strong annual yield in FY22, we expect the gross income produced by the Fund in FY23 to return to a more normal level of 9%.

TOP 10 HOLDINGS	TOP 10 YIELDING	YIELD% P.A. <sup>2</sup>
ANZ	Fortescue Metals	17.6
Aristocrat Leisure	BHP Group	17.3
BHP Group	Woodside Energy	13.9
Commonwealth Bank	South32	12.9
CSL	Harvey Norman	12.4
Macquarie Group	CSR	10.1
NAB	ANZ	9.0
South32	Westpac	8.4
Telstra Corporation	Ampol	8.0
Woodside Energy	Metcash	7.9

<sup>1</sup>Inception date 9 September 2011.

<sup>2</sup>Net returns, including franking credits and special dividends. Fund returns are after applicable fees, costs and taxes. All p.a. returns are annualised. Past performance is not a reliable indicator of future performance.

**CUMULATIVE PERFORMANCE - GROWTH OF \$10,000**



ASSETS UNDER MANAGEMENT: \$2,062 MILLION	PLATFORM AVAILABILITY				
	AMM	Asgard	IOOF eXpand	mFund	Praemium
	AMP North	BT Panorama	IOOF Wrap	MLC Navigator	Premium Choice
	AMP Portfolio Care	CFS FirstWrap	Macquarie Wrap	MLC Wrap	WealthO2
	AMP WealthView	DPM	Mason Stevens	Netwealth	uXchange
	ANZ Portfolio One	HUB24			Wealthtrac

INVESTMENT MANAGER	PLATO INVESTMENT MANAGEMENT LIMITED
OBJECTIVE	<ul style="list-style-type: none"> <li>To provide an annual gross yield (including franking) that exceeds the gross yield of the Benchmark after fees.</li> <li>The Fund also aims to outperform the Benchmark after fees.</li> </ul>
BENCHMARK	S&P/ASX 200 Franking Credit Adjusted Daily Total Return Index (Tax-Exempt)
INVESTMENT APPROACH	The Fund is intended to be managed for low tax investors who can utilise franking credits. These investors include, but are not limited to, superannuation funds and charities.
MANAGEMENT COSTS	0.90% p.a. (inclusive of the net effect of GST and RITC).
BUY/SELL SPREAD	+0.20% / -0.20%.
MINIMUM INVESTMENT	<ul style="list-style-type: none"> <li>Indirect investors: refer to the operator of your service.</li> <li>Direct investors: minimum initial investment \$50,000.</li> </ul>
RISK/RETURN PROFILE	This product is likely to be appropriate for a consumer seeking regular income to be used as a small allocation within a portfolio where the consumer has a minimum investment timeframe of 3-5 years, and a high risk/return profile.

This strategy is specifically managed for low tax investors, thus providing an aligned investment strategy for pension and charity investors. The Fund aims to generate higher income (including franking credits) than its Benchmark. A distinguishing feature of the strategy is that it aims to deliver higher yield without taking on large sector biases, such as overweighting banks.



For more information, please contact Pinnacle Investment Management Limited on 1300 010 311 or email [distribution@pinnacleinvestment.com](mailto:distribution@pinnacleinvestment.com)

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Link to the [Product Disclosure Statement](#)

Link to the [Target Market Determination](#)

For historic TMD's please contact Pinnacle client service Phone 1300 010 311 or Email [service@pinnacleinvestment.com](mailto:service@pinnacleinvestment.com)

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