

## Monthly Factsheet

30 September 2023

### Fund Managers - Invesco Private Credit

**Scott Baskind**  
Head of Senior Secured Bank Loans

**Kevin Egan**  
Senior Portfolio Manager

### Fund facts at a glance

**Asset class**  
Senior secured loans

**Objective<sup>1</sup>**  
The Fund aims to provide a high level of stable monthly income, preserve capital and achieve a gross return of cash plus 4% p.a. over rolling three year periods.

**Management style**  
Core, active management combining bottom-up credit selection with top-down macro risk positioning, tied to broader economic trends.

The Fund provides floating rate protection in a rising rate environment.

**Benchmark<sup>2</sup>**  
Bloomberg AusBond Bank Bill Index

**Risk profile**  
Medium

**Time horizon**  
3 years

**Distribution frequency**  
Monthly

**Inception date<sup>3</sup>**  
31/12/90

**Minimum investment**  
\$20,000

**MER/ICR**  
0.75%

**Buy/Sell Spread**  
0.10%/0.10%

**APIR code**  
CNA0805AU

### Fund performance analysis in AUD (periods to 30 September 2023)

Net performance			
Periods	Fund %	Benchmark %	Value added %
1 month	0.54	0.34	0.20
3 months	2.58	1.08	1.50
6 months	5.67	1.99	3.68
1 year	9.91	3.56	6.35
2 years p.a.	2.38	2.03	0.35
3 years p.a.	5.47	1.36	4.11
5 years p.a.	3.01	1.28	1.73
7 years p.a.	3.67	1.43	2.24
10 years p.a.	3.81		
Calendar year to date	7.81	2.80	5.01
Financial year to date	2.58	1.08	1.50
Since inception p.a.	5.34		

**Please note for the period ended 30 September 2023, the fund performance returns are as at Thursday 28 September 2023. This is due to a public holiday in Victoria on Friday 29 September 2023 where the Fund did not issue a transaction price.**

The Fund returns are shown after ongoing fees and assumes reinvestment of income. Past returns are not a reliable indicator of future returns. Future returns may be affected by a range of factors including economic and market influences.

Net distribution growth splits			
Periods	Distribution %	Growth %	Total %
3 months	2.83	-0.25	2.58
6 months	5.26	0.41	5.67
1 year	9.72	0.19	9.91
2 years p.a.	6.76	-4.38	2.38
3 years p.a.	6.11	-0.64	5.47
5 years p.a.	5.57	-2.56	3.01
7 years p.a.	5.17	-1.50	3.67
10 years p.a.	4.98	-1.17	3.81

Portfolio statistics	
Current yield	10.09%
Yield to maturity	12.68%
Market price	\$90.41
Effective duration	0.43

Assets under management	
	A\$m
Fund AUM:	80.93
Strategy AUM:	6,023.52

**Fund analysis (as at 30 September 2023)**
**Asset breakdown**

<b>Asset</b>	<b>Fund %</b>
Senior Loans	80.69
High yield bonds	9.99
Equities	7.58
Cash and outstanding settlements	1.36
Structured Products (CLOs)	0.39

**Regional allocation**

<b>Region</b>	<b>Fund %</b>
USA	79.29
Europe	17.02
Other	3.69

**Top 10 industries**

<b>Industry</b>	<b>Fund %</b>
Service	11.89
Information Technology	9.10
Gaming/Leisure	8.80
Transportation	6.88
Chemicals	6.60
Manufacturing	6.57
Financial	5.28
Aerospace	5.12
Retail	4.83
Telecommunications	4.59

**Top 10 holdings**

<b>Holdings</b>	<b>Fund %</b>
QuarterNorth Energy, Inc (fka Fieldwood Energy)	2.14
Commercial Barge Line Company	1.81
Crown Finance US, Inc.	1.33
Virgin Media O2 - LG	1.25
Sigma Bidco	1.25
Carnival Corp.	1.23
Monitronics International, Inc.	1.20
Robertshaw US Holding Corp.	1.15
Douglas (Kirk Beauty GmbH)	1.13
V Global Holdings LLC (aka Vertellus)	1.08

**Market review**

Loans delivered solid returns in September, gaining 0.88% during the month and bringing year-to-date total returns to 9.91%. Despite increased primary supply and weaker risk markets, loan prices edged up 0.11% during the month. More impactfully, coupon income contributed another 0.76% to September's total return. Meanwhile, the Federal Reserve (Fed) provided updated policy guidance at their September meeting which further signalled elevated base rates at least through 2024, implying today's high carry environment is expected to persist for the foreseeable future.

During September, loans outperformed high yield and investment grade, which returned -1.16% and -2.45%, respectively, and year-to-date are also outpacing the 5.97% and 0.45% returns for high yield and investment grade bonds respectively. The average price in the loan market rose 30 basis points (bps) to 94.83. At their current average price, senior secured loans are providing a 10.11% yield inclusive of the forward curve.

All data in USD. Source: Credit Suisse Leveraged Loan Index, Bloomberg and JP Morgan.

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**Notes**

- <sup>1</sup> Invesco does not guarantee that the Fund will achieve its objective.
  - <sup>2</sup> The Fund is managed on a benchmark-unaware basis.
  - <sup>3</sup> The Fund originally commenced on 31/12/90. The Fund benchmark and strategy changed on 14/8/14. The Underlying Strategy commenced on 11/8/06.
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**Important Information**

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