

Fund Description

The Daintree Core Income Trust (the Fund) is an absolute return, cash plus, investment grade bond strategy. The Fund is not constrained by any traditional fixed income index, which provides us the flexibility to seek out the best risk adjusted returns available across regions, sectors and securities.

Fund Objective

The aim of the Fund is to provide a steady stream of income and capital stability over the medium term by investing in a diversified portfolio of fixed income securities and cash. The Fund seeks to produce a return (net of fees) that exceeds the RBA Cash Rate by 1.50%-2.00% p.a. over a rolling three year period.

Monthly Highlights

- Australian cash credit spreads widened 5-6bps.
- Australian 10-year sovereign bonds yields finished the month 13 basis points lower. The latter half of the month saw bonds supported, as negotiations around an Italian governing coalition roiled markets.
- Coupon income was the main driver of returns.
- Our overlay contributed 1 basis point for the month, with a deduction from short duration positioning offset by a positive contribution from our proprietary quantitative strategies.

Key Statistics

Modified Duration (Yrs)	0.16
Spread Duration (Yrs)	3.68
Adjusted Portfolio Yield (%)	3.37
Average Credit Quality	A+
Portfolio ESG score (MSCI)*	A

* The weighted average portfolio ESG rating, based on MSCI data.

Fund facts

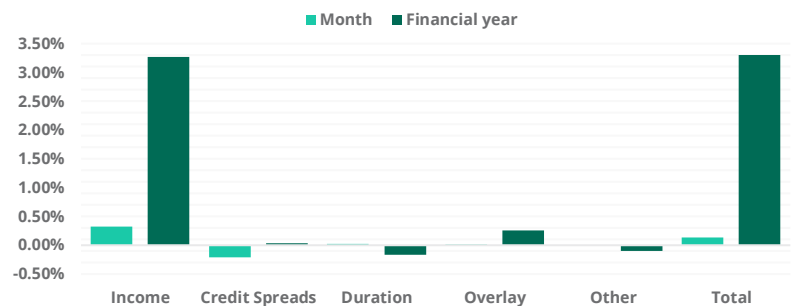
Fund name	Daintree Core Income Trust
Responsible Entity	Perennial Investment Management Ltd
Portfolio managers	Mark Mitchell & Justin Tyler
Inception date	5 June 2017
APIR code	WPC1963AU
Management costs	0.60% pa
Buy/sell spread	+0.05% / -0.05%
Entry and exit fees	None
Pricing frequency	Daily
Initial investment	\$25,000
Distribution frequency	Monthly
Currency	Australian Dollar

Performance	Month (%)	Quarter (%)	Financial Year (%)
Performance After Fees	0.09	0.43	2.73
RBA Cash Rate	0.13	0.38	1.39
Relative Performance to RBA Cash Rate	-0.04	+0.05	+1.34
Performance Before Fees	0.14	0.58	3.30
Distribution Return	0.15	0.45	1.57
Growth Return	-0.06	-0.02	1.16

Note: Fund inception is 5 June 2017

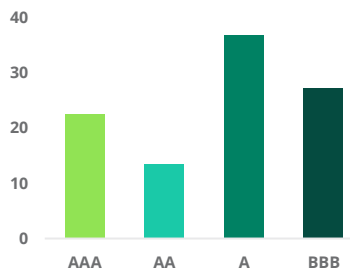
Returns for periods longer than one year are annualised. Distribution return is the monthly cents per unit distribution divided by the ex-distribution unit price at the start of the month. Past performance is not a reliable indicator of future performance.

Performance Contribution (Pre Fees)

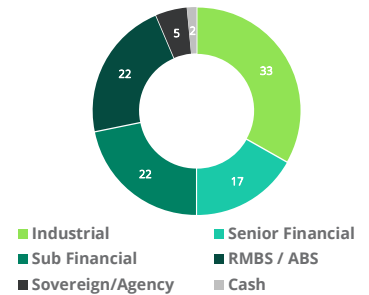


Note: Overlay strategies use derivatives to ensure that the fund exposure to interest rates, credit and other relevant factors is controlled separately to the physical assets in the portfolio

Rating Exposure

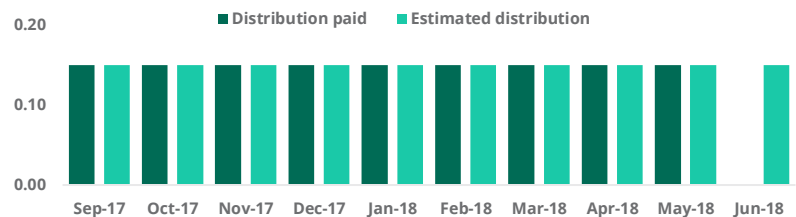


Sector Exposure (%)



Income

The Fund distributed 0.15 cents per unit in April, in line with our estimate.



Contact Details

1300 011 088

invest@daintreecapital.com.au

www.daintreecapital.com.au

Issued by: The Investment Manager, Daintree Capital Management Pty Ltd, ABN 45 610 989 912, AFSL: 487489. Responsible Entity: Perennial Investment Management Limited ABN 13 108 747 637, AFSL: 275101. This promotional statement is provided for information purposes only. Accordingly, reliance should not be placed on this promotional statement as the basis for making an investment, financial or other decision. This promotional statement does not take into account your investment objectives, particular needs or financial situation. While every effort has been made to ensure the information in this promotional statement is accurate; its accuracy, reliability or completeness is not guaranteed. Past performance is not a reliable indicator of future performance. Gross performance does not include any applicable management fees or expenses. Net performance is based on redemption price for the period and assumes that all distributions are reinvested. Fees indicated reflect the maximum applicable. Contractual arrangements, including any applicable management fee, may be negotiated with certain large investors. Investments in the Trust must be accompanied by an application form. The current relevant product disclosure statement, additional information booklet and application form can be found on Daintree's website www.daintreecapital.com.au.

