

Awards & Credentials

Daintree Capital is proud to have been nominated as a Finalist for the Money Management Fund Manager of the Year Award in the Emerging Manager category for 2019. We are also a signatory to the United Nations Principles for Responsible Investment.



Fund Description

The Daintree High Income Trust (the Fund) is an absolute return 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 over the medium term by investing in a diversified portfolio of fixed income securities. The Fund seeks to produce a return (net of fees) that exceeds the RBA Cash Rate by 3%-4% p.a. over a rolling three to five-year period.

Monthly Highlights

- Trade concerns and the global macro backdrop saw the US 10-year treasury yield post its biggest monthly rally since Q1 2015, falling 52bp to 1.49%
- This same backdrop saw credit spreads widen across the board, with higher beta spreads underperforming as is usual in a 'risk-off' backdrop.
- The Fund's positioning for lower interest rates more than offset the negative performance impact of wider credit spreads

Key Statistics

Modified Duration (Yrs)	1.93
Spread Duration (Yrs)	3.68
Portfolio Yield (%)	4.78
Average Credit Quality	BBB

Note: Portfolio yield is the expected return over the next year, assuming no changes to either portfolio composition or market yields.

Fund facts

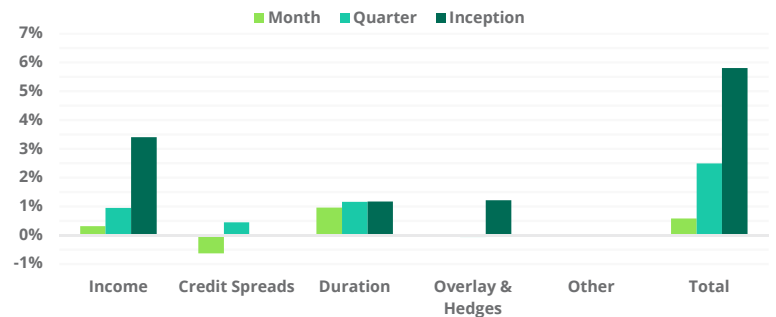
Trust name	Daintree High Income Trust
Responsible Entity	Perennial Investment Management Ltd
Portfolio managers	Mark Mitchell & Justin Tyler
Inception date	1 November 2018
APIR code	WPC1583AU
Management costs	0.75% pa
Buy/sell spread	+0.15% / -0.15%
Entry and exit fees	None
Pricing frequency	Daily
Initial investment	\$10,000
Distribution frequency	Monthly
Currency	Australian Dollar

Performance & Analytics

	Month (%)	Quarter (%)	Inception (%)
Fund (gross)	0.58	2.49	5.80
Fund (net)	0.52	2.30	5.18
Distribution (net)	0.20	0.96	2.38
Growth (net)	0.32	1.34	2.80
RBA Cash Rate	0.08	0.28	1.15
Excess Return	+0.43	+2.03	+4.03

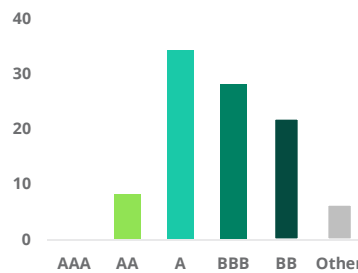
Note: Performance inception is 1 November 2018. Excess return is measured with reference to net performance. Returns for periods longer than one year are annualised. Distribution return is the monthly cents per unit distribution divided by the net asset value unit price at the start of the month. Past performance is not a reliable indicator of future performance.

Performance Contribution (Pre Fees)

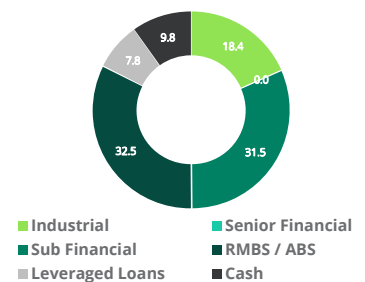


Note: Overlay strategies use derivatives to ensure that the fund exposure to interest rates, credit and other relevant factors is controlled separately to the physical assets in the portfolio

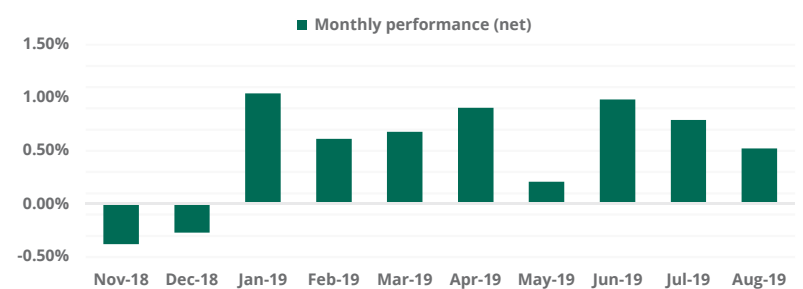
Rating Exposure (%)



Sector Exposure (%)



Monthly Performance



Cash Income

The Fund distributed 0.20 cents per unit in August, in line with our estimate.

