

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 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

- We said last month that the “coronavirus-related fall in markets ...may be a continuing market theme over the next month or two.”
- This was certainly the case in February, with risk markets falling strongly in the last week of the month. In the midst of falls across most sectors, the broad Australian equity market lost around 7.7% and as would be expected, credit spreads widened. Australian credit spreads outperformed the US and Europe though, where investment grade spreads widened by 15-25bp with high yield spreads widening much more.
- Our portfolios did well considering this backdrop, with duration and broader overlay positions offsetting the impact of wider credit spreads.

Key Statistics

| | |
|----------------------------|------|
| Modified Duration (Yrs) | 1.35 |
| Spread Duration (Yrs) | 3.48 |
| Portfolio Yield (%) | 2.53 |
| Average Credit Quality | A |
| Portfolio ESG score (MSCI) | A |

Note: Portfolio yield is the expected return over the next year, assuming no changes to either portfolio composition or market yields. The Portfolio ESG score is the weighted average portfolio ESG rating based on Daintree Capital's application of MSCI data

Fund facts

| | |
|------------------------|-------------------------------------|
| Trust name | Daintree Core Income Trust |
| Funds under management | AUD231m |
| Responsible Entity | Perennial Investment Management Ltd |
| Portfolio managers | Mark Mitchell & Justin Tyler |
| Inception date | 5 June 2017 |
| APIR code | WPC1963AU |
| Management costs | 0.50% 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 |

Platforms

The Daintree Core Income Trust is available on the following platforms:

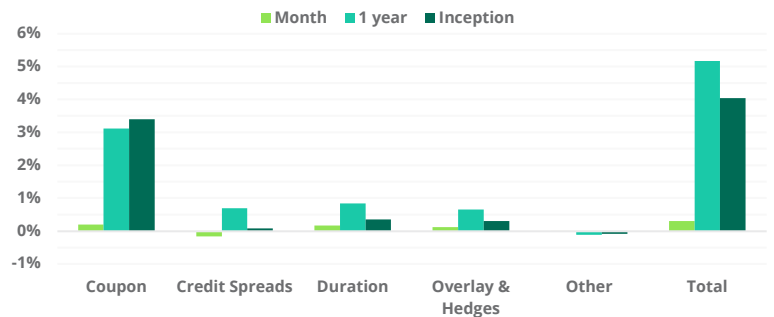
- Asgard
- BT Panorama
- HUB24
- Macquarie Wrap
- Mason Stevens
- MLC Navigator
- MLC Wrap
- Netwealth
- Praemium
- uXchange
- Xplore Wealth

Performance & Analytics

| | Month (%) | Quarter (%) | 1 Year (%) | Inception (% pa) |
|--------------------|-----------|-------------|------------|------------------|
| Fund (gross) | 0.30 | 0.97 | 5.17 | 4.04 |
| Fund (net) | 0.26 | 0.84 | 4.64 | 3.47 |
| Distribution (net) | 0.15 | 0.44 | 2.10 | 2.26 |
| Growth (net) | 0.11 | 0.40 | 2.54 | 1.21 |
| RBA Cash Rate | 0.06 | 0.19 | 1.06 | 1.34 |
| Excess Return | +0.20 | +0.65 | +3.59 | +2.13 |

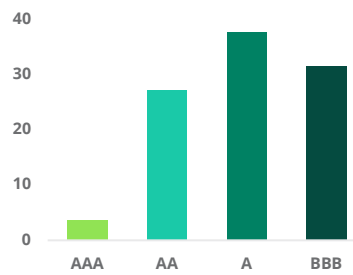
Note: Performance inception is 1 July 2017. Excess return is measured with reference to net performance. Returns for periods longer than one year are annualised. Distribution return is the monthly cents per unit distribution divided by the net asset value unit price at the start of the month. Past performance is not a reliable indicator of future performance.

Performance Contribution (Pre Fees)

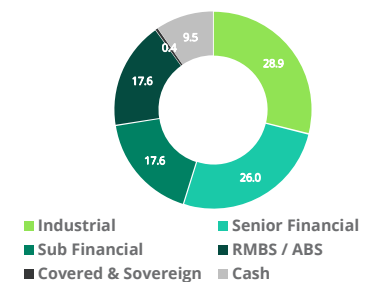


Note: Overlay strategies use derivatives to ensure that the fund exposure to interest rates, credit and other relevant factors is controlled separately to the physical assets in the portfolio

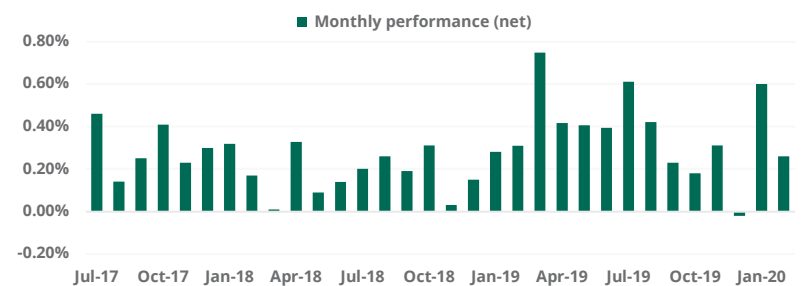
Rating Exposure (%)



Sector Exposure (%)

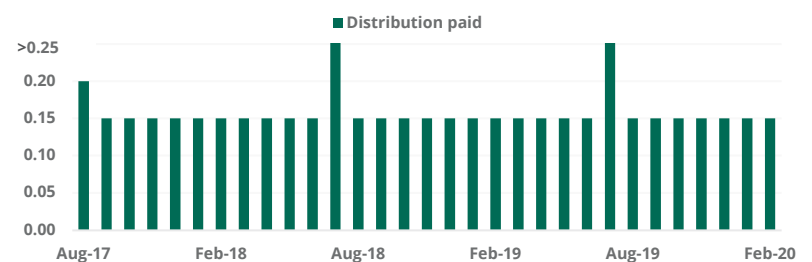


Monthly Performance



Cash Income

The Fund distributed 0.15 cents per unit in February.



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