

Update August 2020

Alexander Fixed Income Fund

The Alexander Fixed Income Fund (the Fund) aims to invest in a diversified portfolio of primarily investment-grade Australian fixed-income assets.

Investment Objective

The Fund has an absolute return target above the benchmark in both rising and falling markets. The benchmark is the Bloomberg AusBond Bank Bill Index plus 1% per annum.

Fund Update

The Fund generated a return of 0.86% in August, 2.21% for the previous three months, and 1.08% compounded over the past 12 months. The Net Asset Value¹ (NAV) of the Fund as at 31 August 2020 was \$106.78m and the redemption price was 1.015696². During the month of August, the Sell Spread was reduced from 0.50% to 0.25%.

Global economic activity continued to be heavily impacted by COVID, with Q2 GDP figures in some countries reflecting the largest fall on record. Domestically, the impact of Victoria's prolonged lockdown cast doubt on the speed and trajectory of the Australian economy's recovery. Despite this backdrop, the price action in risk markets was generally positive, with US equity markets making new all-time highs late in the month.

The impact of the regulatory tailwinds supporting credit markets began to moderate during August. Whilst the direction of senior and subordinated bank spreads continued to be positive, the moves were smaller than the large rally seen in June and July. Despite a mixed outcome from the ASX reporting season, high grade corporate issuers were able to comfortably issue into primary markets at tight levels, in some instances at spreads as low as those seen pre-COVID.

The Fund's strong monthly performance was driven by portfolio components that had lagged the initial moves in June and July, highlighting the benefit of a strategy that can access a diverse range of credit investments. The volatility in the market and the economy caused by the COVID shutdown has begun to generate attractive opportunities that offer outsized returns for the level of risk and we anticipate adding several of these in the coming months.

At the end of the month the Fund had an average credit duration of 2.35 years and the yield-to-maturity of the portfolio was 3.98%³.

Further Information

For further information, please contact Alexander Funds:
info@alexanderfunds.com.au
(03) 9039 5050

¹ The value of the Fund's assets less the liabilities of the Fund net of fees, costs and taxes.

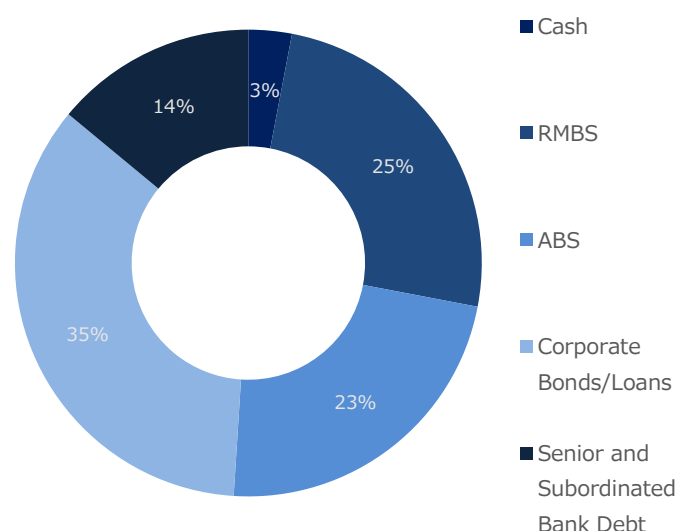
² The redemption price is calculated by decreasing the NAV price by the sell spread (currently 0.25%). The NAV price is the NAV divided by the Units on issue.

³ before fees

Fund Performance	
Period	Return
1 Month	0.86%
3 Months	2.21%
12 Months	1.08%
Annualised Since Inception	3.67%

The monthly return is an actual return net of all fees, costs and taxes generated by dividing the redemption unit price by the previous month's redemption unit price. Past performance is not a reliable indicator of future performance. The Mid Price Return is for illustrative purposes only and does not reflect the actual return achieved if funds are redeemed.

Portfolio Composition ^



^ net of hedges

Fund Statistics	
Fund Size (million)	\$107.03
Credit Duration (years)	2.35
Yield to Maturity (before fees)	3.98%
Interest Rate Duration (years)	0.09
Average Credit Rating	BBB
Investment Grade Allocation	80%

The Fund At A Glance

Investment Manager	Alexander Funds Management Pty Ltd
Responsible Entity	Equity Trustees Limited
Fund Inception Date	December 2018
Recommended Investment Timeframe	3-5 years
Distribution Frequency	Quarterly ¹ (distributions may be reinvested)
Minimum Applications	\$25,000
Management Fees	0.65% per annum of the Fund's weighted average Net Asset Value (NAV) ²
Buy/Sell Spreads	+0.10% on entry and -0.25% on exit ³
Applications/ Withdrawals	Daily

1. Distributions are not guaranteed
2. Please consult the PDS for full explanation of fees and costs
3. These spreads may change depending on the liquidity of the assets within the fund at the time of entry or exit

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