

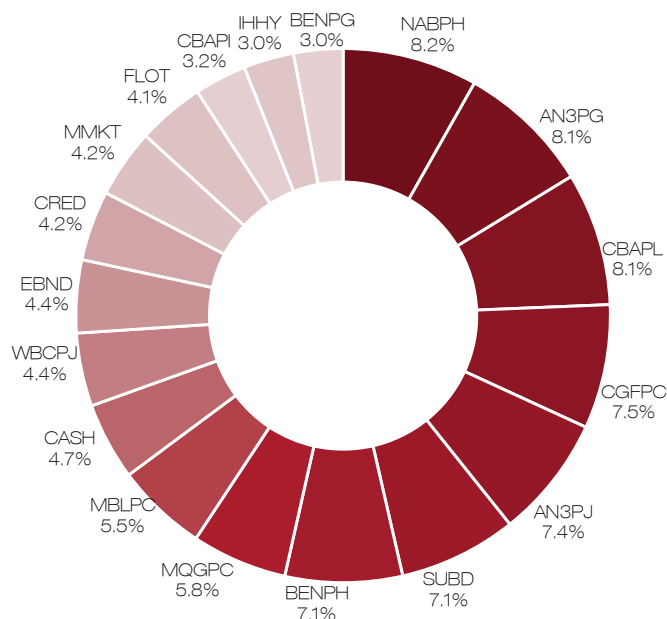
Performance*	Month	Quarter	One Yr	2 Yr pa.	3 Yr pa.	Inception	Inception pa
Yield	0.68%	2.18%	6.79%	4.98%	4.14%	19.46%	4.11%
RBA Cash	0.36%	1.08%	4.14%	2.96%	2.00%	6.85%	1.51%

Portfolio Strategy

This income Strategy is designed for clients who want a better return than term deposits and cash while also have at-call access to their funds. It suits a conservative risk profile. The strategy invests in hybrids issued by investment-grade Australian financial institutions. There is also an allocation to bonds, both Australian and international including sub-investment grade. The strategy targets a return of the RBA cash rate +2.5 - 3.5%.

Portfolio Characteristics

Inception Date	2/09/2019
Benchmark	RBA Cash Rate
Return Since Inception	4.1% p.a.
Benchmark Return Since Incp.	1.5% p.a.



We banked another good month of returns, this time 0.68%. The month was all about the equity markets though. It was their half yearly reporting season. As a general comment it went okay, arguably better than expected with the All Ords closing up 1.20% and even better still our Endeavor equity portfolio's up 4.74%.

The yield portfolio itself remains largely unchanged. We bought the newest Westpac issue back in December, and we sold it all by mid February for a gain of approximately 2% over just 2 months. We also rolled our ANZPG holding (maturing in March) into their new 2031 maturity. We also added to our Macquarie hybrid holding.

On the economic front we had news out of the US that suggested US CPI wasn't falling as quickly as hoped (markets live on hope). That caused a sell off (rates going higher). Not long after we had "bad" news on the Australian unemployment front with the monthly figure going from 3.7% to 4.1%. Markets in Australia once again priced in a cash rate easing by September.

Expectations bounce around all the time. Bits of information are delivered at random times, that when added up, give us a somewhat clear picture of what is going on.

The "markets" have been more accurate than the forecasters / commentators for quite a while now. Forecasters talk about multiple cash rate easings, the market talk about one, maybe two in the next 3 years.

That will suit us just fine.

Any questions please call me.

*Note: Performance of the strategy group is representative of individual client portfolios, although performance can differ due to inherent differences between clients' portfolios such as initial entry timing, legacy holdings or requested stock exclusions. Performance measured is after fees, taxes and franking credits.