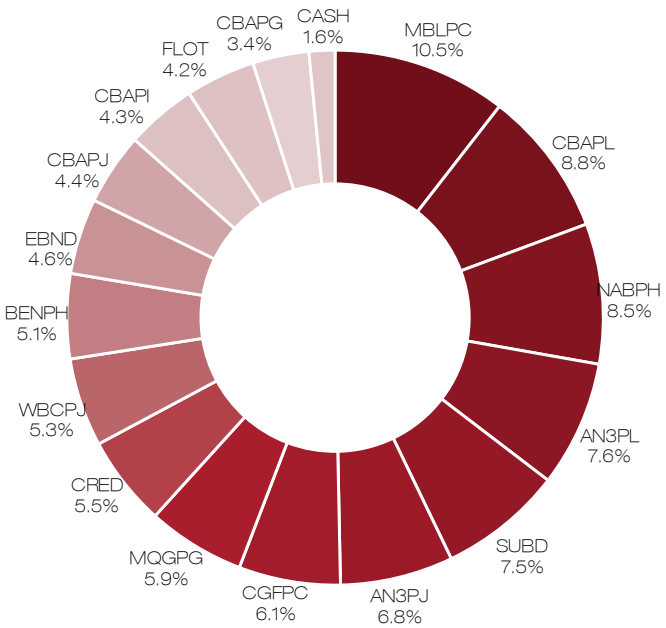
Endeavor Asset Management

Enhanced Yield

March 2025

Performance*	Month	Quarter	One Yr	3 Yr pa.	5 Yr pa.	Inception	Inception pa
Yield	0.49%	1.13%	6.54%	7.35%	6.02%	28.49%	4.59%
RBA Cash	0.34%	1.04%	4.36%	4.28%	2.17%	11.91%	2.04%



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	4.6% p.a.
Benchmark Return Since Incp.	2% p.a.

Weighted Average Maturity is the length of time until the average security in the fund will mature or be redeemed by its issuer. It indicates a fixed income fund's sensitivity to interest rate changes. Longer average weighted maturity implies greater volatility in response to interest rate changes. This metric considers the likelihood that bonds will be called or prepaid

It feels surreal talking about March when so much has already happened in the first week of April. It's a bit like what has gone before doesn't really count. For the record we were +0.49% in a month where the equity market suffered a 3.50% fall. The defensive attributes of the Yield portfolio were to the fore.

But it really is all about week one in April. We all know the Trump tariffs were announced. They were bigger and much more far reaching and arguably more unhinged than anybody expected. To be fair that's only our take, others are welcome to their opinion. The issue for us, and for many is just how unthought out they truly seem to be. Imagine putting a tariff on Norfolk Island and Antarctica amongst all the tariffs for the world that were announced – EXCEPT – that there were no fresh tariffs imposed on Russia, Cuba, North Korea and Belarussia. They thought about that part, why I don't know, but not about much else it seems.

It's this lack of detail, lack of a plan or a road map that makes the market so nervous. We (the markets) like predictability, but it really seems like the administration is throwing mud at a wall to see what sticks. And they are prepared to double down. They have 4 years to see it through, although they do need to get through the US mid term election cycle as well.

This week we have seen the Aussie equity market give up 4% on top of last month. It may bounce back, it should. The Yield portfolio has finally relented somewhat, it's down 1% this month but is already clawing that back. Expect things to remain volatile.

The market is expecting the Reserve Bank to ease interest rates in May by at least 25 bps. It feels like a done deal.

Any questions please give us a call.

*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. Past performance is not an indication of future performance.