

# HIGH INCOME FUND



31 March 2025

## FUND OBJECTIVE

The Fund aims to generate a return in excess of the Bloomberg Barclays US HY Fallen Angel 3% Cap Total Return Index Value hedged to the AUD with similar levels of volatility over the medium to long-term before fees and expenses.

## FUND SUMMARY

- Potential to deliver a consistent monthly income together with capital appreciation over the medium to long term
- Exposure to sub-investment grade bonds previously rated as investment grade ("Fallen Angels")
- Aims to take advantage of structural inefficiencies to capture the potential upside from forced selling when bonds are downgraded to high yield
- Managed by a stable and focused team deploying a transparent and robust investment process and a proven track record

## PERFORMANCE (Net of fees - (%))

	1 month	3 months	1 year	Since 9 December 2022
Fund	-0.75	1.13	3.53	5.45
Benchmark	-0.65	1.09	5.34	7.44

	Calendar year returns					12-month rolling returns				
	2024	2023	2022	2021	2020	2024-2025	2023-2024	2022-2023	2021-2022	2020-2021
Fund	3.30	9.63	-	-	-	3.53	9.13	-	-	-
Benchmark	5.63	11.49	-	-	-	5.34	10.89	-	-	-

Source: Insight Investment and Rimes. Fund performance is calculated in Australian \$ as total return, including reinvested income, net of fees and expenses. Inception date is 9 December 2023. Benchmark performance shown is for Bloomberg Barclays US HY Fallen Angel 3% Cap Total Return Index Value hedged to the AUD. Performance for periods over one year is annualised. Past performance is not a guide to future performance. The value of investments and any income from them will fluctuate and is not guaranteed (this may be partly due to exchange rate fluctuations). Investors may not get back the full amount invested.

## FUND MANAGER COMMENTS

The fund lagged in March. Quality and Value produced negative contributions but were partially offset by positive contributions from new fallen angels. Slight overweight to Embarg and Xerox were among the primary detractors. These names, according to our models, were best of lower ratings category (CCC and lower) with better than peers quality scores. Overweight to Walgreens, as a recent fallen angel, offset some of the losses. T-costs, ESG components were neutral.

## FUND FACTS

**Fund size:** AUD136m

**Inception date:** 9 December 2022

**Benchmark:** Bloomberg Barclays US HY Fallen Angel 3% Cap Total Return Index Value hedged to the AUD

**Fund managers:** Paul Benson, Stephanie Shu

**APIR code:** ETL2332AU

**ARSN code:** 661144109

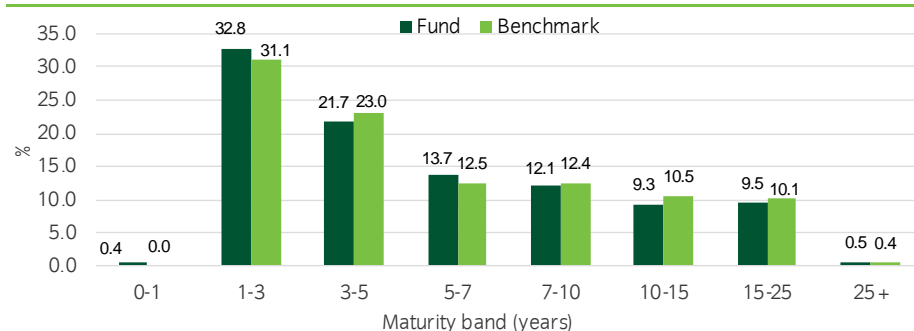
## FUND CHARACTERISTICS

	Fund	Benchmark
Yield to maturity (%)	5.9	6.1
Duration (years)	4.7	4.7
Maturity (years)	6.7	6.7

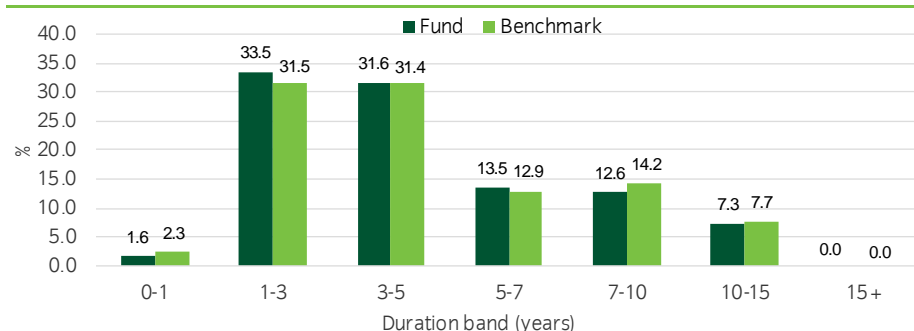
## CREDIT RATING

(%)	Fund	Benchmark
IG	0.0	0.0
BB	83.4	82.5
B	7.0	7.6
CCC	7.8	8.4
CC	1.3	1.6
C and below	0.0	0.0
Cash	0.4	0.0
NR	0.0	0.0

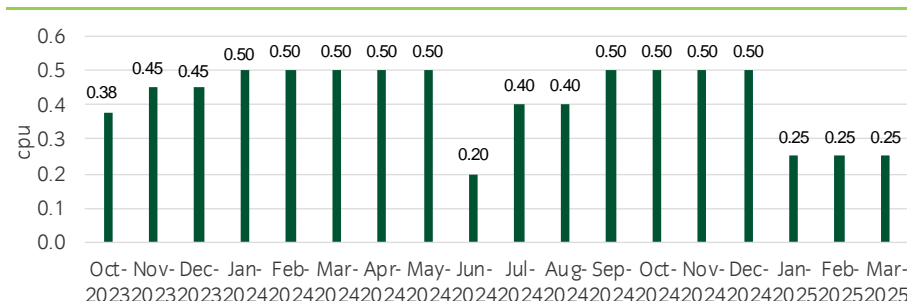
## MATURITY PROFILE



## DURATION PROFILE



## MONTHLY DISTRIBUTION



## TECHNICAL DETAILS

**Legal structure:** Trust (Registered Managed Investment Scheme)

**Domicile:** Australia

**Dealing frequency:** Daily, 2pm Australian EST

**Settlement period:** Purchases: T, Redemptions: T+5

**Scheme:** Insight High Income Fund

**Responsible entity:** Equity Trustees Limited

**Administrator:** State Street Australia Limited

**Annual management fee:** 0.525%

**Buy and sell spread:** 0.45%

**Income distribution frequency:** Monthly



www.insightinvestment.com

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