

# PENDAL

## Pendal Monthly Income Plus Fund

ARSN: 137 707 996

## Factsheet

Income & Fixed Interest

30 April 2026

### About the Fund

The Pendal Monthly Income Plus Fund (**Fund**) is designed for investors who want the potential for regular income and some long-term capital growth to protect against inflation, diversification across a range of asset classes and are prepared to accept some variability of returns. The Fund invests in a number of income generating strategies across a range of asset classes, including fixed interest, shares and cash. The Fund may also use derivatives.

### Investment Return Objective

The Fund aims to provide a return (before fees, costs and taxes) that exceeds the RBA Cash Rate over rolling 3-year periods while allowing for some capital growth to reduce the impact of inflation.

### Investment Strategy

The Fund's investment strategy seeks to provide a reliable and consistent income stream that is commensurate with the prevailing cash rate. This will be achieved primarily by exposure to liquid cash and fixed income investments that generally continue to produce income even in times of stress.

The Fund's strategy also seeks to reduce the impact of inflation through exposure to growth assets (namely Australian shares) which will provide investors with the potential for some capital growth.

The Fund invests mainly in fixed and floating credit, government bonds and cash securities as well as Australian shares. The Fund is diversified with the goal of achieving stability and consistency of income over the long term.

### Investment Process

Pendal's investment process provides a defensive approach to asset allocation. The process is aimed at preserving capital and minimising the occurrence of adverse income outcomes.

The Fund has a particular focus on managing downside risk and providing a regular, consistent and stable income. It also aims to provide some capital growth in order to reduce the impact of inflation. However, any capital growth that the Fund accumulates over time is secondary to the primary considerations of seeking to provide income and limit downside risk, and specifically limiting capital losses.

### Investment Guidelines

Asset class	Range
Cash	0 - 50%
Fixed Interest	20 - 100%
Shares	0 - 30%

### Fees and costs

You should refer to the latest Product Disclosure Statement for full details of the ongoing fees and costs that you may be charged.

Management fee <sup>1</sup>	0.65% pa
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<sup>1</sup> This is the fee we charge for managing the assets and overseeing the operations of the Fund. The management fee is deducted from the Fund's assets and reflected in its unit price.

### Investment Team

Pendal's Income & Fixed Interest team has extensive and varied experience across both local and international Fixed Interest markets. The team manages a range of strategies including Cash, Government bond, Composite bond, specialised Insurance solutions, Income solutions and Sustainable and Impact funds. The portfolio manager of the Fund is Amy Xie Patrick who has more than 20 years industry experience, supported by Co-Portfolio Manager Oliver Ge who has more than 15 years industry experience.

### Performance

(%)	Total Returns		Benchmark Return
	(post-fee)	(pre-fee)	
1 month	0.79	0.84	0.34
3 months	-0.21	-0.06	0.97
6 months	-0.36	-0.04	1.89
1 year	2.73	3.40	3.84
2 years (p.a)	5.51	6.20	4.11
3 years (p.a)	5.30	5.99	4.17
5 years (p.a)	3.23	3.90	2.99
Since Inception (p.a)	4.48	5.15	2.57

Source: Pendal as at 30 April 2026

"Post-fee" returns assume reinvestment of distributions and is calculated using exit prices. "Pre-fee" returns exclude the effects of management costs and any taxes. Returns for periods greater than one year are annualised. Fund inception: July 2009.

Past performance is not a reliable indicator of future performance.

Benchmark: RBA Cash Rate

### Distribution (over the last 12 months)

Month	CPU	Month	CPU
30/04/2026	0.40	31/10/2020	0.30
31/03/2026	0.40	30/09/2025	0.25
25/02/2026 <sup>^</sup>	0.40	31/08/2025	0.25
31/01/2026	0.40	31/07/2025	0.25
31/12/2025	0.30	30/06/2025	3.3269
30/11/2025	0.30	31/05/2025	0.70

\* Distribution is large due to year end distribution.

<sup>^</sup> Early payment of February 2026 distribution. The change was made for operational reasons and will be for February 2026 only.

### Sector Allocation (as at 30 April 2026)

Government bonds	0.0%
Semi-Government bonds	0.0%
Corporate bonds	49.9%
Mortgage backed	3.0%
Asset backed	0.0%
Australian shares	10.7%
Cash & other	36.4%

### Fund Statistics (as at 30 April 2026)

Yield to Maturity <sup>#</sup>	5.22%
Running Yield <sup>†</sup>	4.30%
Modified duration	0.16 years
Credit spread duration	1.52 years
Weighted Average Maturity	1.75 years

<sup>#</sup> Yield to maturity is an estimate, at a point in time, of an individual security's expected annual rate of return, assuming the security is held to maturity and all coupon payments are made on time and reinvested at the same rate. The Fund's yield to maturity uses this calculation on a weighted average basis for all physical securities held in the Fund. The Fund's yield to maturity does not represent the actual return of the Fund over any period.

<sup>†</sup> Running yield is an estimate, at a point in time, of the annual income generated by an individual security expressed as a percentage of its current market price. It is calculated by dividing the coupon of the security by the market value of that security. The Fund's running yield uses this calculation on a weighted average basis for all physical securities held in the Fund. Running yield does not reflect the actual income return of the Fund.

## Other Information

Fund size (as at 30 April 2026)	\$486 million
Date of inception	July 2009
Minimum investment	\$25,000
Buy-sell spread <sup>2</sup> For the Fund's current buy-sell spread information, visit <a href="http://www.pendalgroup.com">www.pendalgroup.com</a>	
Distribution frequency	Monthly
APIR code	BTA0318AU

<sup>2</sup> The buy-sell spread represents a contribution to the transaction costs incurred by the Fund, when the Fund is purchasing and selling assets. The buy-sell spread is generally incurred whenever you invest or withdraw funds, and may vary from time to time without notice.

## Market review

April was a month where geopolitics, specifically the evolving situation in the Middle East, overwhelmed traditional macro drivers and dictated the direction of bond markets. While inflation data and central bank rhetoric remained important in shaping the broader backdrop, day-to-day price action in both fixed income, credit and equities was far more tightly linked to headlines around ceasefire negotiations, shipping risks, and the potential for a broader regional escalation.

The pattern was remarkably consistent. Any signs of progress toward diplomatic engagement or reduced disruption risks triggered rallies in bond markets with yields moving lower as risk premia eased. Conversely, breakdowns in talks or renewed tensions saw an immediate reversal, pushing yields higher as energy prices lifted and inflation concerns resurfaced. This dynamic created a highly reactive market environment where geopolitical headlines effectively became the primary market catalyst.

Overlaying this geopolitical volatility was a macro backdrop that, while secondary, reinforced the upward pressure on yields. US inflation prints continued to show stickiness, particularly in services, and activity data remained resilient enough to keep recession fears at bay. The Fed maintained a cautious tone, emphasising that inflation was still above target and that further progress was needed before any easing could be considered.

This combination of strong macro data and ongoing headlines of a looming fuel shortage translated into a choppy but directionally higher yield environment. Early April saw yields decline modestly as optimism grew around potential diplomatic progress in the Middle East. Oil prices softened during these periods, which helped anchor inflation expectations and allowed the market to re-engage with the idea that the Fed might still be able to ease policy later in the year. However, these moves proved fragile as setbacks in negotiations and renewed concerns around supply disruptions pushed oil prices higher again. This, in turn, fed directly into breakevens and nominal yields. The reaction was most pronounced in the front end where rate expectations remain most sensitive to inflation surprises.

Australian investment-grade (IG) credit was resilient throughout the month as spreads grinded tighter despite the volatility in rates and geopolitics. The market largely looked through the Middle East noise, treating it as a temporary risk rather than something that would impair corporate fundamentals. There were brief bouts of widening when ceasefire talks faltered, but these were shallow and quickly reversed as demand for high-quality income re-emerged. In effect, investors stayed focused on carry and balance sheet strength, and while higher government bond yields weighed on total returns, the spread component was a clear source of stability and support.

Australian equities had a sharp two-way move in April with a strong relief rally followed by a partial giveback. The market jumped around 6% in the first half of the month as ceasefire hopes in the Middle East gained traction. That drove yields lower, which helped banks and other rate-sensitive sectors lead the charge. However, that optimism didn't hold. As talks stalled and oil prices pushed higher again, equities gave back roughly 4%. The key difference versus credit was that equities were more exposed to the second-order effects such as margin pressure. So while the macro backdrop didn't materially worsen, the shift in the geopolitical narrative was enough to unwind part of that earlier move.

## Fund performance and activity

The Monthly Income Plus Fund returned 0.79% (net of fees) in April, outperforming its cash benchmark. The risk asset components contributed the bulk of gains with the remainder coming from duration.

## Portfolio positioning

On duration, we traded between zero and one year, reflecting a balance between our medium-term constructive view on bonds and near-term caution around inflation. While we continue to believe that inflation, both headline and core, is ultimately manageable and largely priced in, the market remains focused on the risk of higher and stickier inflation, particularly given the uncertainty around Iran and energy prices. In the short term, this has kept bond markets on edge with investors reluctant to add duration ahead of what are likely to be firmer CPI prints. As a result, rather than positioning for a large directional move, we kept duration light and traded tactically, adding and trimming exposure around market swings, while waiting for clearer evidence that inflation is settling and the conditions for a more sustained bond rally are in place.

In the early part of the month, we continued to proceed cautiously with regards to IG credit. Tensions in Iran as well as valuations in parts of the credit market, particularly outside the domestic banks, posed risks that were not being adequately priced. We reduced exposure to longer-dated, less liquid names where the risk-reward was less compelling and rotated into cash, where yields remained highly competitive. As the month progressed and diplomatic developments improved sentiment, we then moved to selectively re-risk, using the primary market to rebuild exposure at more attractive levels and reset our credit spread duration. While this repositioning has supported performance, we remain disciplined in how we add risk, recognising that the improvement in sentiment likely reflects short-term relief rather than a resolution of the underlying issues.

In a similar vein, we were active in managing our Australian equity exposure through the month. We started April with a relatively elevated position of around 15–16%, benefiting from the sharp relief rally as ceasefire hopes in the Middle East improved sentiment. As that rally extended and valuations became less compelling, we took the opportunity to lock in gains, reducing our exposure to around 11%. While we trimmed risk, we didn't exit the space entirely, as the more negative outcomes, namely demand destruction and a meaningful hit to earnings, had yet to materialise. Instead, we chose to step back to a more defensive footing, recognising that the initial optimism had run ahead of fundamentals.

Looking ahead, the key question for markets is whether inflation will begin to moderate more convincingly in the coming months. If it does, there may be scope for yields to stabilise and for the easing narrative to re-emerge. However, if inflation remains sticky and growth continue to hold up, the "higher for longer" theme is likely to persist, keeping upward pressure on yields and maintaining a challenging environment for fixed income investors.

For more information please call 1300 346 821,  
contact your key account manager or visit [pendalgroup.com](http://pendalgroup.com)

**PENDAL**

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