

INVESTMENT UPDATE – SEPTEMBER QUARTER 2023

The Fund has been setup to actively manage an income-oriented portfolio of cash, property, debt and credit obligation instruments and fixed interest instruments. These investments may include a combination of cash and cash equivalent securities, fixed interest and mortgages, floating rate instruments, property, equities, hybrids, convertibles and enhanced yield strategies.

The Fund is designed for investors who are seeking capital stability and regular income with a minimum investment timeframe of 12 months.

PERFORMANCE

	3 month	1 year	2 year p.a.	3 year p.a.	4 year p.a.	5 year p.a.
PPF Enhanced Income Fund	0.85%	3.25%	2.43%	2.05%	1.95%	1.85%
Benchmark	1.08%	3.56%	2.03%	1.36%	1.17%	1.28%
Value Add (net)	-0.23%	-0.31%	0.40%	0.69%	0.78%	0.57%

Actual performance will differ for clients due to timing of their investment. Returns are calculated net of fees. Benchmark is the Bloomberg AusBond Bank Bill Index. Past performance is not an indicator of future returns.

Key Fund Information	
Investment Objective:	To outperform the Bloomberg AusBond Bank Bill Index (Benchmark) measured over rolling 12-month periods.
Minimum Investment:	\$20,000
Management fee:	0.55% p.a.
Performance fee:	20% > benchmark currently capped at 0.12% p.a.
Manager & Responsible Entity:	PPF Asset Management Limited
Auditor:	RSM Australia
Custodian:	Sandhurst Trustees Limited

Management fee excludes some fees including expense recovery. Refer to PDS for details.

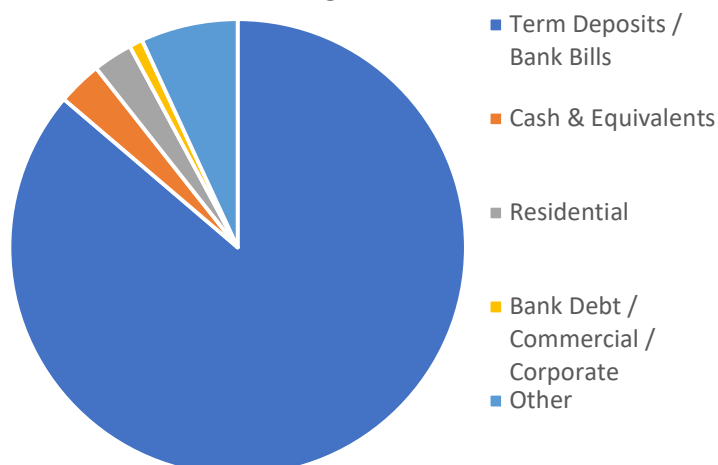
COMMENTARY

For the September quarter, the Fund delivered a return of positive 0.85% net of fees to investors, underperforming the Bloomberg AusBond Bank Bill Index which returned positive 1.08%. This brings our calendar year-to-date return to positive 2.50% net of fees compared with 2.89% for the benchmark. The Fund's current 12-month running yield is tracking at 3.62% at the time of writing.

Persistent inflation, along with a strong labor market and retail sales figures, is calling the RBA's hand with the new governor indicating her intent for inflation to return to more comfortable levels with further hikes possible before the end of 2023.

The near-zero interest rates on offer during the Covid years almost seem like a lifetime ago with retirees and others now benefitting from the much healthier cash deposit rates on offer. With household debt levels some of the highest in the world, we strongly feel that the economy can only bear so many hikes before a more accommodative stance returns.

Portfolio Composition 31 August 2023



PPF Enhanced Income Fund

A.R.S.N. 099 838 061

PPF
FINANCIAL

Disclaimer

This document is prepared by PPF Asset Management Limited (AFSL 229696) ('PPFAML') as the investment manager, issuer and responsible entity of the PPF Enhanced Income Fund ARSN 099 838 061 ('the Fund').

This communication is for general information only. PPFAML may provide general information about the management of the Fund. It is not intended as a securities recommendation or statement of opinion intended to influence a person or persons in making a decision in relation to investment. It has been prepared without taking account of any person's objectives, financial situation or needs. Any persons relying on this information should obtain professional advice before doing so. To the extent permitted by law, PPFAML, their officers, employees, consultants, advisers and authorized representatives, are not liable for any loss or damage arising as a result of any reliance placed on this document. Information has been obtained from sources believed to be reliable, but we do not represent it is accurate or complete, and it should not be relied upon as such. Past performance is for illustrative purposes only and is not indicative of future returns.

The Product Disclosure Statement ('PDS') and Target Market Determination ('TMD') of the Fund are available at the following link: <https://www.ppf.com.au/downloads>. Any potential investor should consider the PDS and TMD before deciding whether to acquire units in the Fund.