

Fixed Income Fund

Low-volatility income from Australian sovereign and senior bank bonds.

MONTHLY FACT SHEET · 30 SEPTEMBER 2026

STRATEGY & OBJECTIVE

The Arculus Fixed Income Fund invests in Australian sovereign and senior bank bonds selected to generate a yield commensurate with the assumed risk, and to provide consistent income with a minimum volatility of returns. It is benchmark-unaware with no duration target, focused on an absolute return of the 90-day BBSW rate plus 1.5% p.a. before fees.

The Fund aims to provide income, capital stability and a high degree of liquidity in all market conditions, with total return comprising mainly security income. It may suit investors seeking a low-to-medium-risk investment over a 1–3 year horizon.

KEY FACTS

APIR code	DDH8305AU	ARSN	622 419 578
Structure	Registered MIS (unitised)	Inception	16 Nov 2017
Responsible entity	DDH Graham Limited	Investment manager	GCI Australia / Arculus
Target return	90-day BBSW + 1.5%	MER (GST incl.)	0.40%
Buy / sell spread	+0.10% / -0.10%	Performance fee	Nil
Risk profile	Low–Medium	Suggested term	1–3 years

Platforms BT Panorama, Allan Gray, HUB24 and Netwealth, and can be added to any platform on request.

PERFORMANCE TO 30 SEPTEMBER 2026 (% ANNUALISED, NET OF FEES)

% p.a.	3M	6M	1Y	2Y	3Y	5Y	Incep.
Total return	1.13%	2.37%	4.05%	4.54%	5.15%	3.01%	2.40%
Cash distribution	1.31%	2.18%	3.86%	4.78%	4.80%	3.81%	2.93%
Growth	-0.18%	0.19%	0.19%	-0.24%	0.35%	-0.81%	-0.53%

Benchmark-unaware. The target return is the 90-day BBSW rate plus 1.5% before fees. Returns use exit prices, assume reinvestment of distributions, and exclude tax. Past performance is not an indicator of future performance.

GROWTH OF \$10,000 SINCE INCEPTION



Growth of a \$10,000 investment to 30 September 2026, since the Fund's inception — net of fees, with distributions reinvested. Distributions are unfranked. Past performance is not an indicator of future performance.

PORTFOLIO CHARACTERISTICS

Running yield	6.00%	Yield to maturity	5.94%
Average margin	1.17%	Avg years to maturity	1.90
Modified duration	0.10	Credit duration	1.83
Floating	95.23%	Fixed	2.54%
Cash	2.24%	Securities held	43

Net asset value **\$40.07m** as at 30 September 2026

FUND POSITIONING — SEPTEMBER 2026

The portfolio remains entirely senior and covered paper, entirely investment grade and effectively entirely floating rate. Holdings fell from 44 to 43. Running yield rose 25 bps to 6.00%, almost all of it mechanical, as the 90-day BBSW rate rose 22 bps over the month to 4.77% and reset through a book in which effectively every holding carries a quarterly BBSW-linked coupon. Yield to maturity rose 44 bps to 5.94% and average credit margin 22 bps to 1.17%. The margin widening is almost entirely mix rather than market, since the line sold was the tightest asset in the book at a traded margin of 0.67% while the lines bought carry issue margins between 1.15% and 1.32%.

The Fund returned 34 bps in September.

FUND RATING

The Fund has been rated Investment Grade by Lonsec. Fund ratings are not a recommendation and are subject to change.

IMPORTANT INFORMATION

This document is not a recommendation to acquire a particular financial product. The information is of a general nature only. DDH Graham Limited (DDH) has not considered the investment objectives, financial situation or needs of any person when preparing this document. Persons should refer to the Product Disclosure Statement (available from www.ddhgraham.com.au) and seek professional advice before relying on the information. Information has been prepared in good faith by DDH Graham Limited. However, neither DDH Graham Limited nor Arculus Funds Management Pty Ltd, a Corporate Authorised Representative of GCI Australia Pty Ltd (ABN 68 140 364 576, AFSL 346034), warrant its accuracy and, to the extent permitted by law, they disclaim responsibility for any loss or damage suffered by any person directly or indirectly through relying upon it. Past performance is not indicative of future performance. Any forward-looking statements are opinions only and are not guarantees of future returns. Actual outcomes may differ.