

MSQUARED HIGH YIELD MORTGAGE INCOME FUND MONTHLY REPORT | JUNE 2024



MARKET & PORTFOLIO UPDATE

In June, it was revealed that Australian inflation rose to a six-month high of 4.00%, driven predominantly by housing and services. According to an Australian Financial Review poll, a group of economists are now predicting that targeted inflation will not be met for at least another 12 months. This, despite previous expectations of several rate cuts by the end of 2024, suggests that investors should focus on asset quality rather than market speculation. The current economic environment has led to an intensified focus on real estate-backed Private Credit because the asset class provides competitive risk-adjusted returns to investors.

The Fund remains well diversified with a portfolio of 51 loans and a weighted LVR of 64.90%. The Fund returned an income distribution to investors of 10.35% p.a. in June.

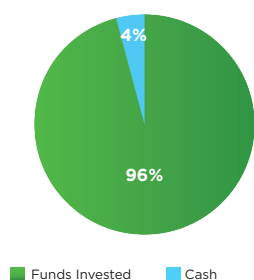
RECENT RETURNS (ANNUALISED)

June 24	10.35% p.a.
May 24	10.35% p.a.
April 24	10.35% p.a.
March 24	10.35% p.a.
February 24	10.35% p.a.

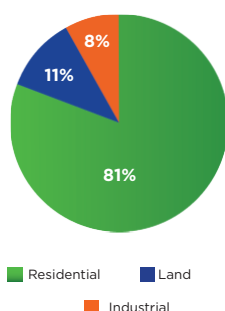
FUND METRICS

No. of Loans in Fund	51
Weighted Portfolio LVR	64.90%
Weighted Portfolio Loan Term	6.44 months
Loans Settled in Last 90 Days	5
Loans Repaid in Last 90 Days	4

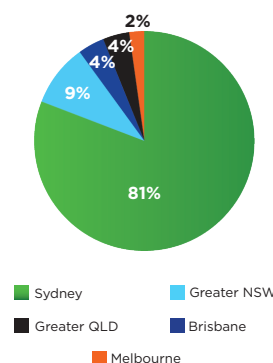
CAPITAL ALLOCATION



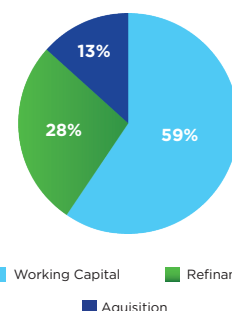
SECURITY TYPE



GEOGRAPHICAL LOCATION



LOAN PURPOSE



OBJECTIVES OF THE FUND

- 01 To provide investors an opportunity to access **high quality, registered** mortgage investments through a professionally managed structure.
- 02 The provision of **monthly income** distributions at a targeted minimum net return of **9.00% p.a.**

KEY FUND INFORMATION

Target Minimum Return	9.00%
Maximum LVR	80.00%
Security	Registered Mortgages
Distributions	Payable monthly
Minimum Investment	\$50,000
Minimum Investment Term	12 Months
Redemptions	Quarterly with two months' notice
Investment Grade Research Ratings	Evergreen Ratings SQM Ratings

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