

# MSQUARED HIGH YIELD MORTGAGE INCOME FUND MONTHLY REPORT | SEPTEMBER 2024



## MARKET & PORTFOLIO UPDATE

Msquared Capital is pleased to present the September 2024 monthly update for the Msquared High Yield Mortgage Income Fund. In September we learned that the August Consumer Price Index hit a three-year low of 2.7%, while underlying inflation fell to 3.4%. As inflation seems to be increasingly under control, the Australian economy remains weak with conversation turning toward an RBA rate cut in the near term to follow the US and the EU. Msquared Capital is closely monitoring these indicators and other broader macroeconomic factors as they play an important role in determining the construction of the Fund's loan portfolio. At the end of September, the Fund's annualised return remained at 10.35% p.a. to investors and was diversified across 45 investments. The Fund's weighted portfolio LVR remains below 70% with a weighted portfolio loan term of 7.14 months.

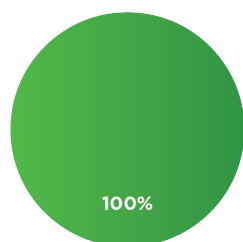
## RECENT RETURNS (ANNUALISED)

September 24	10.35% p.a.
August 24	10.35% p.a.
July 24	10.35% p.a.
June 24	10.35% p.a.
May 24	10.35% p.a.

## FUND METRICS

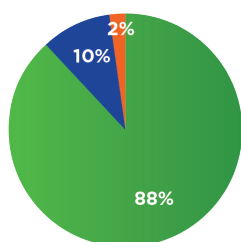
No. of Loans in Fund	45
Weighted Portfolio LVR	67.81%
Weighted Portfolio Loan Term	7.14 months
Loans Settled in Last 90 Days	9
Loans Repaid in Last 90 Days	17

### CAPITAL ALLOCATION



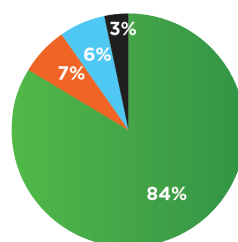
■ Funds Invested

### SECURITY TYPE



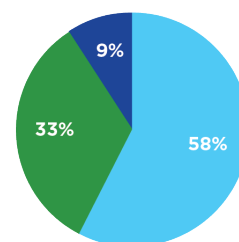
■ Residential ■ Land  
■ Industrial

### GEOGRAPHICAL LOCATION



■ Sydney ■ Melbourne  
■ Greater NSW ■ Greater QLD

### LOAN PURPOSE



■ Working Capital ■ Refinance  
■ Acquisition

## 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

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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