

KFM INCOME FUND INVESTMENT REPORT DECEMBER 2020

Objective of the Fund

To provide an income stream in excess of the 1-year Bank Bill Swap Rate (BBSW) plus 2% pa, which is the Fund's performance benchmark, from a diversified range of ASX listed income producing securities.

Investment Strategy

The Fund invests predominantly in high yielding securities listed on the ASX such as hybrid securities and corporate bonds (fixed and floating), unsecured fixed interest investments, property trusts, preference shares, utilities and infrastructure securities and high yielding ordinary shares, particularly bank shares, as well as government bonds and cash. Option strategies (buy & write) are used for generating additional income and partial asset protection from leading stocks. The Fund is actively managed.

Typical Investor

Investors who want to maximise income returns by investing in income generating assets; and investors who are seeking some capital growth over the medium term and are willing to accept the possibility of negative returns over the shorter term.

Portfolio Manager

Kaplan Funds Management is the manager of the portfolio for over 13 years since the Fund's inception in 2007.

Performance of the Fund

31/12/2020

Period	Distribution (+franking) %	Growth %	FUND Return %	FUND Return no franking#	Franking Return %	Performance Benchmark %
1 month	0.08	0.78	0.86	0.78	0.08	0.17
3 months	1.19	1.22	2.41	2.29	0.12	0.51
6 months	5.82	-0.99	4.83	4.48	0.33	1.04
FYTD*	5.82	-0.99	4.83	4.48	0.33	1.04
1 yr pa	7.27	-8.34	-1.07	-1.74	0.65	2.21
3 yr pa	7.82	-3.76	4.06	3.07	0.94	3.10
5 yr pa	7.87	-1.88	5.99	4.95	0.98	3.40
7 yr pa	7.71	-1.72	5.99	4.94	1.00	3.67

*FYTD: Financial Year To Date

Performance Reported by Morningstar

Fund return is net of fees and inclusive of franking credits.

Sector Allocations

31/12/2020

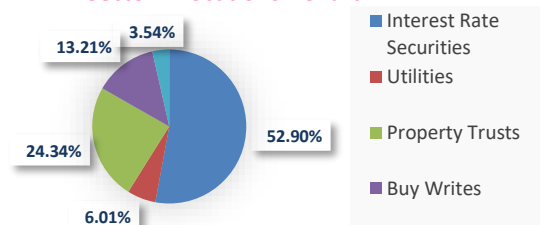
Sector	Yield %	Portfolio weighting %	Neutral Position %
Interest Rate Securities	3.80	52.90%	30.0
Utilities	6.40	6.01%	13.0
Property Trusts	5.70	24.34%	12.0
Buy Writes (leading stocks)	6.30	13.21%	25.0
Cash	0.30	3.54%	20.0
Portfolio Yield	4.60	100.0%	

Fund Details- Retail

31/12/2020

Unit Price (cum-distribution)	\$0.7728 entry, \$0.7690 exit
Distributions Quarterly (CPU)	Dec20 0.6821c Sep20 0.7996c, Jun20 3.3339c Mar20 0.5169c Dec19 0.7154c, Sep19 0.9105c, Jun19 3.1804c, Mar19 0.8038c, Dec18 1.5559c, Sep18 0.8510c
Fund size	\$10 m
APIR code	VEN0007AU
Responsible Entity	Equity Trustees Limited
Minimum investment	\$20,000 (or \$10,000 with Regular Investment Plan)
Regular investment plan	Minimum \$250 per month
Management fee	0.75% p.a.
Expense recoveries	0.10% p.a.
Performance fee	10.25% p.a. on returns above the performance benchmark
Performance Benchmark	1 Year Interest Rate Swap +2%pa
Risk Level	Medium

Sector Allocations - Chart



For more information speak to your financial adviser.

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