

MONTHLY UPDATE

Fund Objective: The Artesian Corporate Bond Fund (Fund) will invest in a diversified portfolio of liquid, predominately investment grade fixed and floating rate corporate bonds. The Fund aims to provide returns above the RBA cash rate +2.75% throughout all interest rate cycles. Note the target return is not a forecast. It is merely an indication of what the Fund aims to achieve over the medium term on the assumption that credit markets remain relatively stable throughout the investment timeframe. The Fund may not be successful in meeting the target return. Returns are not guaranteed.

A S A T 30 TH SEPT 26	FUND PERFORMANCE - CLASS B UNITS								
	1 month	3 months	6 months	1 year	2 year (p.a.)	3 year (p.a.)	4 year (p.a.)	5 year (p.a.)	Since Inception (p.a.)
GROSS FUND RETURN	0.17%	0.98%	3.08%	5.03%	6.12%	6.97%	6.99%	5.12%	4.90%
NET FUND RETURN	0.10%	0.79%	2.70%	4.25%	5.33%	6.18%	6.19%	4.33%	4.12%
RBA CASH RATE	0.35%	1.08%	2.13%	4.00%	4.04%	4.14%	3.98%	3.29%	2.16%
ACTIVE RETURN (net Fund return - RBA cash rate)	-0.25%	-0.29%	0.57%	0.25%	1.29%	2.04%	2.21%	1.04%	1.96%

The 1m, 3m, 6m, 1yr, 2yr, 3yr, 4yr, 5yr and since inception net returns for Class A Units are 0.09%, 0.76%, 2.65%, 4.13%, 5.21%, 6.06%, 6.07%, 4.23% & 4.00% respectively. Past performance should not be taken as an indicator of future performance. Net of fees performance is based on end of month redemption prices after the deduction of fees and expenses and the reinvestment of all distributions. Gross performance is the net return with fees and expenses added back.

A S A T 30 TH SEPT 26	OTHER BENCHMARK COMPARISONS								
	1 month	3 months	6 months	1 year	2 year (p.a.)	3 year (p.a.)	4 year (p.a.)	5 year (p.a.)	Since Inception (p.a.)
BLOOMBERG AUSBOND CREDIT FRN 0+ YR Index	0.37%	1.21%	2.63%	4.77%	5.01%	5.25%	5.09%	4.11%	3.20%
BLOOMBERG AUSBOND COMP 0-3 YR Index	0.00%	0.40%	2.00%	2.46%	3.36%	3.90%	3.63%	2.27%	2.13%

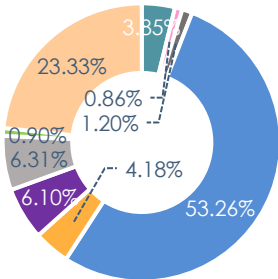
PORTFOLIO UPDATE

September saw markets contend with a renewed rise in inflation concerns, driven by escalating Middle East tensions and higher energy prices, prompting a further repricing of interest rate expectations across major developed markets. In Australia, the RBA increased the cash rate by 25bps to 4.60% on 29 September, its fourth increase this year. The Board noted that domestic spending and investment had been stronger than expected, the labour market remained somewhat tight and productivity growth remained weak. The renewed escalation in the Middle East and associated rise in oil prices added to existing domestic inflation pressures, with the RBA highlighting that upside risks to inflation had begun to materialise. The shift towards tighter policy was also evident offshore. In the United States, the Federal Reserve increased the Fed Funds rate by 25bps to 3.75%–4.00%, its first increase in three years, as inflation remained above target despite some moderation in underlying measures. In Europe, the ECB also increased policy rates by 25bps, with inflation pressures becoming increasingly influenced by higher energy costs. Eurozone inflation had already increased to 3.3% in August from 2.9% in July, before inflation accelerated further across several major European economies during September.

Outperformance came from the Fund's positions in Anglian Water Services, Mercury NZ, AGI Finance and Victoria Power Networks. Underperformance came from the Fund's positions in Banque Fédérative du Crédit Mutuel, Societe Generale, BPCE SA, Transgrid and Engie SA.

PORTFOLIO BREAKDOWN

SECTOR BREAKDOWN



- Automotive

■ Educational Services

■ Insurance

■ TMT

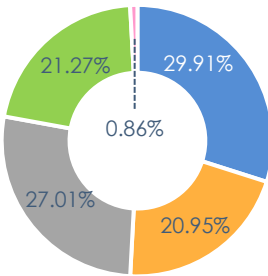
■ Utilities
- Cash

■ Financial

■ Real Estate

■ Transportation & Logistics

REGION & PRODUCT



- Australian AUD FRNs

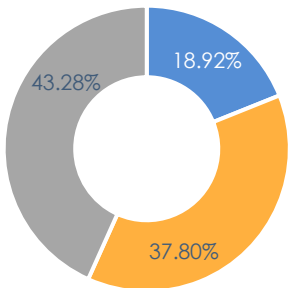
■ International AUD FRNs

■ Australian AUD Fixed Rate

■ International AUD Fixed Rate

■ Cash

CREDIT RATING



- AA

■ A

■ BBB

CREDIT SPREADS

Credit markets weakened during September, although performance diverged across regions. AUD investment grade credit spreads widened 5bps to 111bps, while US investment grade spreads remained relatively resilient, widening just 2bps to 80bps. EUR investment grade credit notably underperformed, widening 12bps to 91bps. The relative weakness in Europe reflected a combination of greater sensitivity to the renewed energy shock, rising inflation and interest rate expectations, and increased sovereign and political uncertainty. These concerns were particularly evident in France, where fiscal and political concerns placed additional pressure on sovereign spreads and broader European credit markets. The divergence across regions highlighted Europe's greater exposure to macroeconomic and political risks, while US credit continued to benefit from comparatively resilient economic and corporate fundamentals.

AS AT 30 TH SEPTEMBER 26	PRICE	CHG ON MTH
ITRAXX AUSTRALIA 5YR	0.72%	0.05%
ITRAXX EUROPE 5YR	0.63%	0.12%
ITRAXX EUROPE XOVER 5YR	3.01%	0.53%
CDX US IG 5YR	0.60%	0.10%
CDX US HY 5YR	3.41%	0.40%

FUND METRICS

The Fund was less active during September, with the risk-off market backdrop and less attractive primary issuance resulting in fewer compelling opportunities. Consistent with recent months, we continued to gradually reduce the Fund's credit duration while increasing its interest rate duration. The continued rise in government bond yields provided another opportunity to extend the Fund's interest rate duration at more attractive levels. At the same time, the combination of wider credit spreads and higher government bond yields has pushed corporate bond all-in yields materially higher. While the recent sell off has resulted in some short-term mark to market volatility, the higher yields available across investment grade credit continue to attract strong investor demand and provide a more attractive starting point for future returns. We remain selective in adding credit risk, while looking to take advantage of opportunities created by the significant repricing in government bond yields.

AS AT 30 TH SEPTEMBER 26	FUND	CHG ON MTH
INTEREST RATE DURATION	0.92	0.13
CREDIT DURATION	3.63	-0.16
YIELD TO MATURITY	6.15%	0.29%
YIELD TO WORST	6.09%	0.31%
BLOOMBERG COMPOSITE RATING (weighted average)*	A	A

*Using the Morningstar methodology for Average Credit Quality

NEW ISSUES

The AUD new issue market slowed somewhat in September as heightened interest rate volatility weighed on issuance activity. Despite the more challenging backdrop, a healthy A\$10.15bn was issued during the month across 21 new deals from 15 unique issuers. The best performing new issues are highlighted below.

ISSUER	Issue Date	Issue Size \$M	Fixed/Floating	Maturity	Next Call	Credit Spread EFP/BBSW	Month End Bid Spread	Net Change
E.ON SE (GREEN BOND)	10-Sep-26	300	Fixed	17-Sep-32	-	1.18%	1.15%	-0.03%
ANGLIAN WATER	11-Sep-26	350	Fixed	18-Sep-31	-	1.58%	1.56%	-0.03%
POLICE & NURSES BANK	15-Sep-26	300	Floating	24-Sep-29	-	1.15%	1.13%	-0.02%

DISCLAIMER

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