

Betashares Martin Currie Equity Income Fund (managed fund)



 **ASX: EINC**

28 March 2024

Objective

EINC invests in an actively managed portfolio of income-oriented Australian shares that aims to generate an after-tax yield higher than that produced by the S&P/ASX 200 Index, and to grow that income above the rate of inflation. EINC is managed by Martin Currie, a leading equities manager and member of the Franklin Templeton Group.

Benefits



Attractive income from quality companies

EINC actively selects quality Australian companies paying attractive income, and with the potential for long-term income growth.



Simple investment strategy, tax efficient

EINC invests only in high-quality shares and does not use derivatives to generate income. It also aims to maximise the benefits of franking credits for investors.



Lower volatility

EINC's active management approach targets lower portfolio volatility than the S&P/ASX 200 Index and less concentrated stock and sector exposures.

Performance

PERIOD	1 mth	3 mth	6 mth	1 yr	3 yr (p.a.)	5 yr (p.a.)	10 yr (p.a.)	Inception (p.a.)
FUND	2.84%	6.91%	12.27%	12.85%	7.27%	6.57%	-	6.01%

Calendar year performance

PERIOD	YTD	2023	2022	2021	2020	2019	2018	2017
FUND	6.91%	7.13%	0.50%	14.19%	-4.50%	21.31%	-	-

Value of \$100 invested since inception



Source: Betashares, Bloomberg. **Past performance is not indicative of future performance.**

Fund returns are calculated in AS\$ using net asset value per unit at the start and end of the specified period and do not reflect the brokerage or bid-ask spread that investors may incur when buying and selling units on the ASX. Returns are after fund management costs, assume reinvestment of any distributions and do not take into account income tax.

Fund information

Betashares Funds can be bought or sold during the trading day on the ASX, and trade like shares.

ASX CODE EINC

BLOOMBERG CODE EINC AU

IRESS CODE EINC.AXW

IRESS INAV CODE

EINCINAV.ETF

DISTRIBUTIONS QUARTERLY

MGT FEE* 0.85% P.A.

FUND INCEPTION 13 FEB 18

*Other costs apply. Please refer to the PDS.



MARTIN CURRIE

Martin Currie Australia, a wholly owned Specialist Investment Manager of Franklin Templeton, is the investment manager. Martin Currie is a global active equity specialist, crafting high-conviction portfolios, which aim to deliver attractive and consistent risk-adjusted returns for clients. Founded in 1881, the company has a long history in funds management. Martin Currie has a significant presence in Australia dating back to 1954, through Martin Currie Australia. In Australia, Martin Currie are multiple award winners for both investment performance and product innovation. Martin Currie Australia's success is built upon a fundamental research process and strong portfolio construction disciplines that are combined with the aim of delivering superior investment outcomes for investors.

Categorisation

AUSTRALIAN SHARES

ACTIVELY MANAGED

INCOME GENERATION

There are risks associated with an investment in EINC, including market risk, individual security risk and market making risk. For more information on risks and other features of EINC, please see the Product Disclosure Statement.

Contact ▶ 1300 487 577 (Australia)
▶ info@betashares.com.au

▶ +61 2 9290 6888 (ex Aust)
▶ betashares.com.au

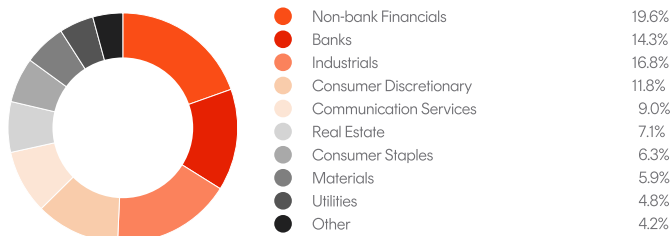
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Sector allocation



Portfolio forecast yield (%) - next 12 months

Forecast unfranked portfolio yield **5.0%**

Forecast franked portfolio yield **6.2%**

Yield forecast is calculated using the weighted average of broker consensus forecasts of each portfolio holding and research conducted by Franklin Templeton Australia, and excludes the Fund's fees and costs. Franking credit benefit assumes a zero tax rate. It is not to be interpreted as the offset achieved by unitholders during this period. Actual yield may differ due to various factors, including changes in the prices of the underlying securities and the number of units on issue. Neither the yield forecast nor past performance is a guarantee of future results. Not all investors will be able to benefit from the full value of franking credits.

The target asset allocation is reviewed, and may be adjusted, annually.

COMPANY

ANZ Group Holdings Ltd

APA Group

Aurizon Holdings Ltd

BHP Group Ltd

Medibank Private Ltd

National Australia Bank Ltd

QBE Insurance Group Ltd

Scentre Group

Suncorp Group Ltd

Telstra Corp Ltd

Monthly commentary

What happened in the market?

The Australian equity market was up 3.3% in March (as measured by the S&P/ASX 200 Accumulation Index), rising for a fifth consecutive month. The market was characterised by confounding risk signals, reversal of the peak rates trade, but with continuation of a soft-landing theme being built in. At the sector level, real estate was the best performer, with broad based gains led by Goodman Group. Energy was also strong as oil prices rose on the back of trade disruption in the Red Sea and Russian facilities strikes by Ukraine drones. Communication services was the only sector to fall.

What happened in the Fund?

The Fund was up 2.84% for the month of March. Within the Fund, at the sector level, non-bank financials and real estate were the largest positive contributors, while communication services slightly detracted. At the stock level, Suncorp Group, QBE Insurance Group and Scentre Group were the largest positive contributors, while Spark New Zealand, Transurban Group and AGL Energy were the biggest detractors.

Positives within the Fund included, financial services provider Suncorp Group delivering a good result in February, with the gap between the growth in average earned premiums and the growth in claims costs now being positive, which should translate into higher insurance margins. This supported the shares together with a key approval for the sale of its banking business to ANZ, which once completed should see Suncorp return a material proportion of surplus capital to shareholders.

Shopping centre landlords again performed well, with Scentre Group a top contributor as it continues to benefit from increasing occupancy and better leasing spreads - as reported in February's results. Scentre Group in particular is benefitting from a shallow consumer cycle, low tenant occupancy costs, strong Westfield brand recognition over the wider retail market and ongoing strong population growth benefits into 2024 after a very strong 2023. Realtime credit card data is supportive of consumer spending holding-up in the face of higher mortgage costs, with online shopping share also back to trend.

On the other side, telecommunications company Spark New Zealand's share price gave back after a strong run, with broad weakness in New Zealand names. In February, Spark's first-half FY24 result came in slightly softer-than-expected, however, management noted they were confident of achieving full year numbers.

Transurban Group (TCL) drifted lower, with some negative publicity following the NSW independent toll review which explores opportunities to potentially enhance the efficiency and outcomes from Sydney's toll roads. Given the strength of the TCL concession deeds and Sydney's robust population growth we don't believe there will be any material adverse impacts to TCL. However, increased political and social license scrutiny around tolls could possibly delay future development opportunities for TCL in NSW.

Betashares Capital Ltd (ABN 78 139 566 868 AFSL 341181) (Betashares) is the issuer and responsible entity of the Fund. Betashares has appointed Franklin Templeton Australia Limited (ABN 76 004 835 849 AFSL 240827) (Franklin Templeton Australia) as investment manager for the Fund. Franklin Templeton Australia is part of Franklin Resources, Inc. Martin Currie Australia provides investment management services for the Fund. Before making an investment decision you should read the Product Disclosure Statement (PDS) and Target Market Determination (TMD) carefully and consider, with or without the assistance of a financial advisor, whether such an investment is appropriate in light of your particular investment needs, objectives and financial circumstances. The PDS and TMD are available and can be obtained by contacting Betashares on 1300 487 577 or Franklin Templeton Australia on 1800 673 776 or at www.betashares.com.au or www.franklintempleton.com.au. Neither Betashares, Franklin Templeton Australia, nor any of their related parties guarantees any performance or the return of capital invested. Past performance is not necessarily indicative of future performance. Investments are subject to risks, including, but not limited to, possible delays in payments and loss of income or capital invested.