

# Betashares Martin Currie Real Income Fund (managed fund)



31 October 2023

## Objective

RINC invests in an actively managed portfolio primarily comprising listed Australian real assets, such as A-REITs, utilities and infrastructure securities. Up to 20% of the portfolio may be allocated to listed real assets in other global developed countries. RINC aims to generate a pre-tax income yield higher than that produced by the S&P/ ASX 200 Index, and to increase that income above the rate of inflation (as measured by the Consumer Price Index) over the long term. RINC is managed by Martin Currie, a leading equities manager and member of the Franklin Templeton Group.

## Benefits

**Attractive, growing income**  
RINC invests in quality companies that own 'hard' physical assets and are expected to pay strong dividend income from reliable revenue streams.

**Keep pace with inflation**  
Real asset businesses are typically well-positioned to increase revenue and profit over time, enabling them to grow income in excess of the rise in the cost of living.

**Lower concentration risk than Australian Property Securities Index**  
As RINC's focus is broader than property, it provides more diversified exposure to listed real assets, avoiding the sector and stock concentration issues associated with the A-REIT Index. The ability to include some allocation to international securities provides opportunity for exposure to real asset sub-sectors not available in Australia.

**Lower volatility**  
RINC targets lower volatility than the S&P/ASX 200 Index.

\*Other costs apply. Please refer to the PDS.

## 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	-3.65%	-11.68%	-9.34%	-4.37%	3.91%	2.63%	-	3.25%

## Calendar year performance

PERIOD	YTD	2022	2021	2020	2019	2018	2017	2016
FUND	-6.66%	-8.03%	19.99%	-11.56%	21.35%	-	-	-



Value of \$100 invested since inception

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

Fund returns are calculated in A\$ 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 RINC  
BLOOMBERG CODE RINC AU  
IRESS CODE RINC.AXW  
IRESS INAV CODE RINCINAV.ETF  
DISTRIBUTIONS QUARTERLY  
MGT FEE\* 0.85% P.A.  
FUND INCEPTION 13 FEB 18

**Notice: RINC's investment universe was expanded on 8 August 2022.**

Refer to the Product Disclosure Statement dated 8 August 2022 and ASX announcement dated 7 July 2022, available at [www.betashares.com.au](http://www.betashares.com.au), for more information.



## 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

REAL ASSETS

ACTIVELY MANAGED

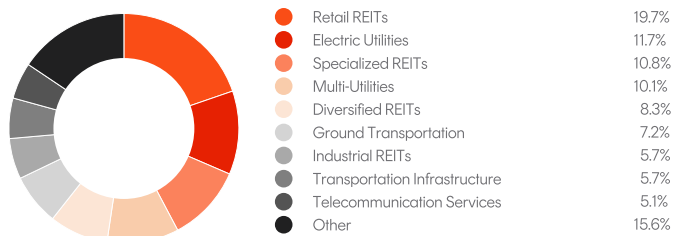
INCOME GENERATION

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

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## Sector allocation



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

## Portfolio forecast yield (%) - next 12 months

Forecast unfranked portfolio yield 6.6%

Forecast franked portfolio yield 6.8%

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.

## Top 10 exposures

### COMPANY

AGL Energy

Aurizon Holdings

Contact Energy

Charter Hall Retail REIT

Chorus

Digital Realty Trust

HomeCo Daily Needs REIT

National Grid PLC

Scentre Group

Stockland

## Monthly commentary

### What happened in the market?

The Australian real asset universe underperformed the broader Australian equity market in October. The listed real estate market was down -5.7% in October (as measured by the S&P/ASX 300 A-REIT Accumulation Index). Infrastructure was down -3.1% in October (as measured by the S&P/ASX Infrastructure Accumulation Index). Utilities were up 1.7% in October (as measured by the S&P/ASX 300 Utilities Accumulation Index). In comparison, the Australian equity market fell -3.8% in October (as measured by the S&P/ASX 200 Accumulation Index).

### What happened in the Fund?

The Fund was down 3.65% over the month of October. Within the Fund, all sectors detracted, with real estate the largest detractor, followed by infrastructure and utilities. At the stock level, Digital Realty Trust, Contact Energy and National Grid PLC were the largest positive contributors, while Stockland, Chorus and HomeCo Daily Needs REIT were the biggest detractors.

Within the Fund, positives included US data centre REIT Digital Realty Trust (DLR) released a strong Q3 update from an operational metrics standpoint, with strong leasing renewal spreads on expiring contracts. While New Zealand renewable energy utility Contact Energy held up alongside other defensives.

On the other side, diversified property group Stockland was weaker due to its residential exposure. While New Zealand's telco infrastructure provider Chorus gave back after a period of share price strength. We see a favourable outlook for the telco infrastructure provider given the country's population growth and current regulatory backdrop that provides upside to recent elevated inflation.