

# PERPETUAL CREDIT INCOME TRUST

ASX: PCI

## Investment update

April 2025

### Investment objective

To provide investors with monthly income by investing in a diversified pool of credit and fixed income assets.

### Portfolio snapshot

As at 30 April 2025	Amount
ASX unit price	\$1.180
NTA per unit <sup>1</sup>	\$1.091

<sup>1</sup> Daily Net Tangible Asset (NTA) is available at [www.perpetualincome.com.au](http://www.perpetualincome.com.au)

All figures are in Australian dollars (AUD), unless otherwise stated. All figures are unaudited and approximate. Past performance is not indicative of future performance. NTA figures are calculated as at the end of day on the last business day of the month.

### Key information

As at 30 April 2025

ASX code:	PCI
Structure:	Listed Investment Trust
Listing date:	14 May 2019
Market capitalisation:	\$574 million
Units on issue:	486,486,819
Distributions:	Monthly
Management costs:	0.88% p.a. <sup>2</sup>
Manager	Perpetual Investment Management Limited
Responsible Entity:	Perpetual Trust Services Limited

### Investment performance<sup>3</sup>

As at 30 April 2025	1 mth	3 mths	6 mths	1 yr	3 yrs p.a.	5 yrs p.a.	Since incep. p.a.
PCI Investment Portfolio (net)	0.3%	1.1%	3.1%	7.0%	7.3%	6.8%	5.3%
Target Return <sup>4</sup>	0.6%	1.8%	3.8%	7.8%	7.1%	5.6%	5.4%
Distribution Return	0.6%	1.9%	3.8%	8.4%	7.4%	5.9%	5.5%
RBA Cash Rate	0.3%	1.0%	2.1%	4.4%	3.7%	2.3%	2.0%

<sup>3</sup> Investment returns have been calculated on the growth of Net Tangible Assets (NTA) after taking into account all operating expenses (including management costs) and assuming reinvestment of distributions on the ex-date. Distribution return has been calculated based on the PCI investment portfolio return less the growth of NTA. Past performance is not indicative of future performance. Since inception return is from allotment on 8 May 2019. The comparison to the RBA Cash Rate is not intended to compare an investment in PCI to a cash holding. The PCI investment portfolio is of higher risk than an investment in cash.

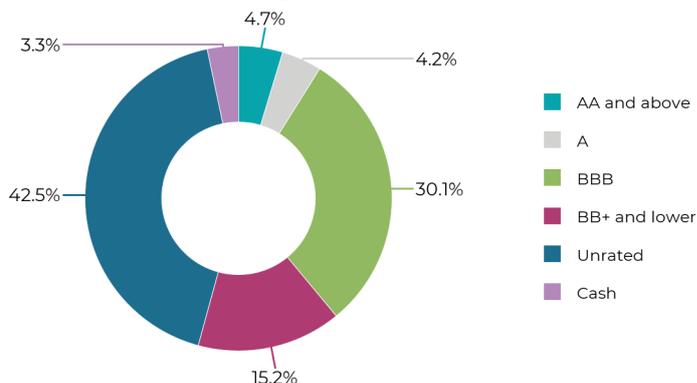
<sup>4</sup> Target Return is RBA Cash Rate + 3.25% p.a. (net of fees) through the economic cycle. This is a target only and may not be achieved.

<sup>2</sup> Estimate inclusive of net effect of GST.

### Portfolio summary

As at 30 April 2025	Amount
Number of holdings	152
Number of issuers	92
Running yield	7.4%
Portfolio weighted average life	2.6 years
Interest rate duration	64 days

### Ratings breakdown



Source: Standard & Poor's and Perpetual Asset Management Australia. Data is as at 30 April 2025. All figures are unaudited and approximate.

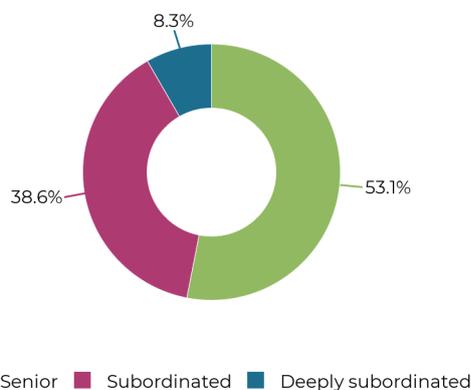
## Distributions CPU <sup>5</sup>

The table below shows the distribution in cents per unit for each distribution period in the respective financial year.

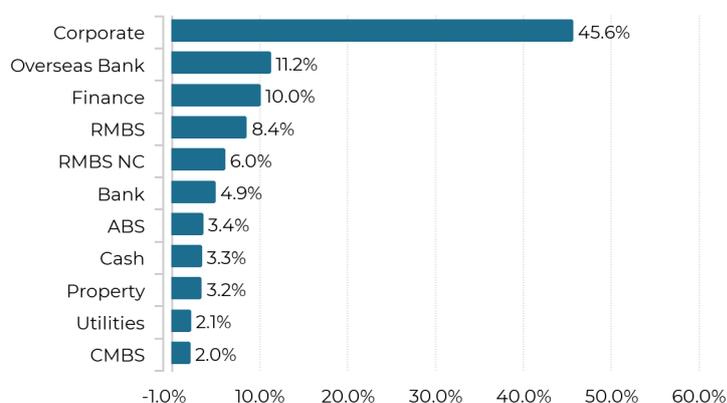
As at 30 April 2025	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FYTD
FY2024	0.67	0.68	0.67	0.68	0.68	0.68	0.68	0.64	0.69	0.67	0.73	1.41	8.87
FY2025	0.68	0.69	0.69	0.68	0.69	0.69	0.69	0.66	0.69	0.68	-	-	6.83

<sup>5</sup> Distributions are stated as cents per unit and have been rounded to two decimal places. Detailed distribution announcements are available on the [PCI website](#) and are stated in Australian dollars rather than cents per unit. Past performance is not indicative of future performance.

### Seniority breakdown <sup>^</sup>



### Sector allocation <sup>^</sup>



<sup>^</sup> Source: Bloomberg and Perpetual Asset Management Australia. Data is as at 30 April 2025. All figures are unaudited and approximate. Allocations may not sum to 100% due to rounding.

## Portfolio Update

### PORTFOLIO UPDATE

April was marked by significant volatility in global financial markets, primarily driven by the announcement of 'Liberation Day' tariffs by US President Trump. The announcement led to a surge in volatility with US equities entering correction territory and equity volatility reaching levels previously seen during the global financial crisis before sentiment improved later in the month. Bond markets experienced significant movements in April. Domestic bond yields ended the month lower, and the yield curve steepened throughout the month as short end yields outperformed.

Credit spreads ended April wider following a month of increased volatility and uncertainty in global markets. The Australian iTraxx index traded in a wide range, selling off in the first half of the month before moderating to end 5 bps wider at month end. Higher beta segments – including subordinated and high yield credit – moved sharply wider in the wake of the liberation day tariff announcements. Semi-government and supranational spreads were more resilient, with semi-government spreads ending the month marginally tighter.

Credit spread expansion detracted from performance over the month with the Trust's allocation to domestic and offshore banks widening. Allocation to Real Estate Investment Trusts and securitised sectors also detracted. Within non-financial corporates, the Trust's Star entertainment loan was revalued upwards after Bally's (a large US casino operator) committed up to A\$300m in the form of convertible note and subordinated debt, providing a significant improvement in their liquidity position. The revaluation partially offset the impact of widening spreads elsewhere among public non-financial credit.

Further mitigating the impact of widening spreads, the Trust continued to collect a healthy yield premium above the RBA cash rate. Income return remains primarily attributable to allocation to non-financial corporate loans alongside contributions from securitised assets and domestic banks. At month end, the Trust's running yield was 7.4%. The RBA left cash rates unchanged during April, acknowledging the 'continuing decline in inflation' and noting that the labour market 'might not be quite as tight' as previously identified. Futures markets moved to price in a May rate cut and a further 75bps cut in the next 12 months, recognising easing inflation concerns and global economic uncertainty.

The Manager was selective in purchases made during the month. Primary market activity was materially reduced in April due to uncertainty stemming from the US Tariff announcements and associated volatility.

Our proprietary credit outlook score remained negative throughout April. While valuation indicators improved, growth and technical indicators continue to weight on the outlook. The Trust remains defensively positioned while retaining the capacity to take advantage of relative value opportunities as they arise.

## Investment objective

To provide investors with monthly income by investing in a diversified pool of credit and fixed income assets.

## Target return

To target a total return of RBA Cash Rate plus 3.25% p.a. (net of fees) through the economic cycle. This is a target only and may not be achieved.

## Investment strategy

The Perpetual Credit Income Trust invests in a diversified and actively managed portfolio of credit and fixed income assets.

The Trust will typically hold 50 to 100 assets.

30% - 100%	Investment grade assets
0% - 70%	Unrated or sub-investment grade assets
70% - 100%	Assets denominated in AUD
0% - 30%	Assets denominated in foreign currencies (which are typically hedged back to AUD)
0% - 70%	Perpetual Loan Fund
< 5%	Perpetual Securitised Credit Fund

The Trust will diversify exposure and will have maximum exposure limits to issuers.

Typical investments will include corporate bonds, floating rate notes, securitised assets and private debt (for example, corporate loans).

## About the manager

The Trust's investment portfolio is managed by Perpetual Investment Management Limited, part of the Perpetual Group, who believes the key to investing in credit and fixed income assets is constructing a well diversified portfolio of quality assets. Its experienced and highly regarded investment team actively manages investments based on fundamental research and analysis of quality, value and risk.

## Portfolio managers



**Michael Korber**  
Managing Director, Credit & Fixed Income

**Portfolio manager:**  
Perpetual Credit Income Trust  
Perpetual Pure Credit Alpha

Michael has over 41 years' experience, having been involved in credit markets since their development in Australia during the 1990's. Unlike many other fixed income portfolio managers in this market, Michael has a background in lending and banking, understanding credit risk in a fundamental way.



**Michael Murphy**  
Senior High Yield Analyst

**Portfolio manager:**  
Perpetual Loan Fund

Michael is an experienced credit markets specialist, having previously worked in high yield, private debt and leverage finance roles. As portfolio manager of the Perpetual Loan Fund, Michael has a focus on sourcing and assessing higher yielding income opportunities.

This monthly report has been prepared by Perpetual Investment Management Limited ABN 18 000 866 535, AFSL 234426 (PIML). It is authorised for release by Perpetual Trust Services Limited ABN 48 000 142 049, AFSL 236648 (PTSL). PTSL is the responsible entity and issuer of the units in Perpetual Credit Income Trust ARSN 626 053 496 (Trust). PTSL has appointed PIML to act as the manager of the Trust. This monthly report is general information only and is not intended to provide you with financial advice or take into account your objectives, financial situation or needs. You should consider, with a financial adviser, whether the information is suitable for your circumstances. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. Past performance is not indicative of future performance. This information is believed to be accurate at the time of compilation and is provided in good faith. This report may contain information contributed by third parties. PIML and PTSL do not warrant the accuracy or completeness of any information contributed by a third party. Any views expressed in this monthly report are opinions of the author at the time of writing and do not constitute a recommendation to act.

Before making any investment decisions you should consider the Product Disclosure Statement (PDS) for the Trust issued by PTSL and the Trust's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (ASX), which are available at [www.perpetualincome.com.au](http://www.perpetualincome.com.au) or can be obtained by calling 1300 778 468 (within Australia) or +61(2) 9299 9621 (from overseas).

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