

# PERPETUAL CREDIT INCOME TRUST

ASX: PCI

## Investment update

August 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 31 August 2025	Amount
ASX unit price	\$1.180
NTA per unit <sup>1</sup>	\$1.096

<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 31 August 2025

ASX code:	PCI
Structure:	Listed Investment Trust
Listing date:	14 May 2019
Market capitalisation:	\$574 million
Units on issue:	486,799,087
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>

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

As at 31 August 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)	0.5%	2.0%	3.5%	7.4%	8.2%	6.6%	5.5%
Target Return <sup>4</sup>	0.6%	1.8%	3.7%	7.7%	7.5%	5.9%	5.5%
Distribution Return	0.6%	1.9%	3.8%	7.8%	7.8%	6.2%	5.6%
RBA Cash Rate	0.3%	1.0%	2.0%	4.2%	4.0%	2.5%	2.1%

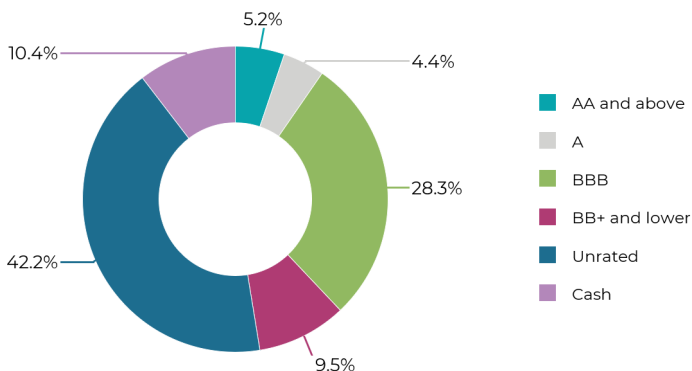
<sup>3</sup> Investment returns have been calculated on the growth of Net Tangible Assets (NTA) after taking into account all operating expenses (including management costs) and assuming reinvestment of distributions on the ex-date. Distribution return has been calculated based on the PCI investment 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.

### Portfolio summary

As at 31 August 2025	Amount
Number of holdings	152
Number of issuers	88
Running yield	6.7%
Portfolio weighted average life	2.9 years
Interest rate duration	35 days

### Ratings breakdown



Source: Standard & Poor's and Perpetual Asset Management Australia. Data is as at 31 August 2025. All figures are unaudited and approximate.

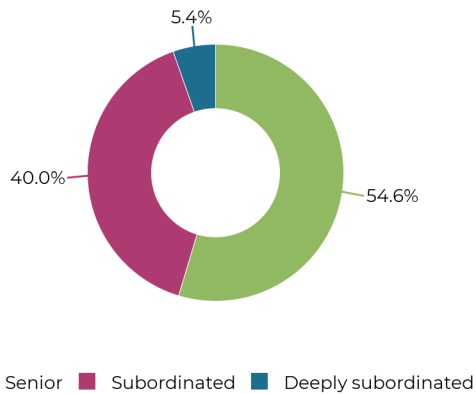
## Distributions CPU <sup>5</sup>

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

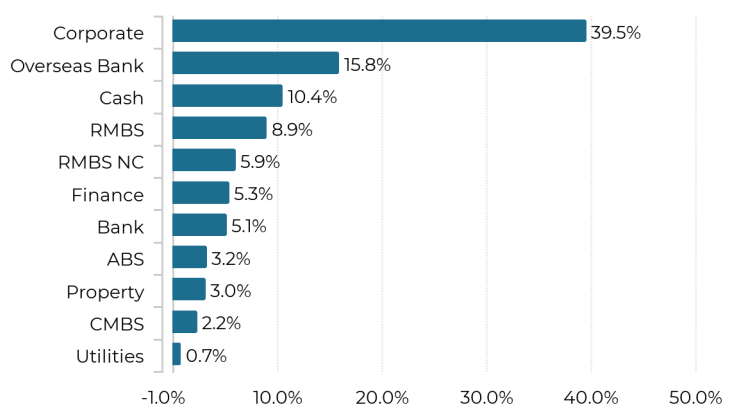
As at 31 August 2025	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FYTD
FY2025	0.68	0.69	0.69	0.69	0.69	0.69	0.69	0.66	0.69	0.68	0.68	0.76	8.28
FY2026	0.68	0.66	-	-	-	-	-	-	-	-	-	-	1.34

<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 31 August 2025. All figures are unaudited and approximate. Allocations may not sum to 100% due to rounding.

## Portfolio Update

Stronger than anticipated corporate earnings and continued monetary policy easing buoyed global financial markets through August. This was in spite of softening macroeconomic data – notably US labour print.

The Trust's yield premium above RBA cash remains the key contributor to performance. The Trust's yield advantage is predominantly attributable to non-financial corporates – including private loans – and securitised sectors. At month end, the Trust's running yield was 6.7%. The Reserve Bank of Australia (RBA) cut rates for the third time this year to 3.6%, signalling cautious optimism amid lowered GDP forecasts and steady inflation despite some component specific pricing spikes. Globally, yield curves steepened, influenced by softer than expected US labour data, dovish commentary from Fed chair Powell at the Jackson Hole symposium.

Domestic credit spreads narrowed over the month, benefitting from a confluence of factors including corporate earnings results, monetary policy tailwinds alongside US jobs and CPI data. August's corporate earnings season results were resilient with soft revenue growth offset by improved margin discipline. Financial and corporate spreads contracted led by infrastructure and utilities. The Trust's allocation to domestic and offshore banks performed well as spreads contracted. The Trust's domestic and offshore bank exposures are predominantly focused on tier 2 subordinated debt which performed well in August, reflecting softer subordinated major bank issuance over recent months and steadily climbing investor demand.

The Manager was selective in adding new issues to the portfolio in August. Primary markets saw elevated volumes of kangaroo issuance meet robust demand. The trust took part in the 15-year tranche of ANZ Banking group's \$1.5B tier 2 subordinated deal.

Our proprietary credit score worsened during August to end the month with a marginally negative reading. Valuation indicators are negative reflecting negative swap-to-bond spreads and elevated activity among opportunistic offshore issuers. Macroeconomic indicators improved slightly as lending conditions – reflected in the Senior Loan Officer Survey – improved, while technical indicators remained firmly positive. The Trust remains defensively positioned while retaining the capacity to add risk where it is best rewarded and take advantage of relative opportunities in primary and secondary markets.

## 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.



**Greg Stock**  
Head of Credit Research, Senior Portfolio Manager

**Deputy Portfolio Manager:**  
**Perpetual Credit Income Trust**  
**Perpetual Pure Credit Alpha Fund**

Greg has over 30 years' experience in investment management, accounting and risk management. He has researched and analysed credit markets on both the buy side and sell side for over a decade and through multiple cycles. His research role is broad, he covers the bank and financial sector and is a credit signatory.



**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.

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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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