

Coolabah Capital Investments launches first fund on Chi-X Australia

Chi-X Australia ("Chi-X") is pleased to partner with Coolabah Capital Investments (Retail) Pty Limited ("Coolabah") as it launches its inaugural product on Chi-X.

The Coolabah Active Composite Bond Fund (Hedge Fund) ("FIXD") is a quoted managed fund that offers retail investors access to a market-leading, daily liquidity, long duration active composite bond strategy that was previously available only to superannuation funds. The fund is issued by Equity Trustees, the responsible entity selected by Coolabah.

The Fund employs an active fixed-income strategy focused on mispricing in government and corporate bond markets and invests in a diversified portfolio of defensive assets of investment-grade quality, including cash, government bonds, senior and subordinated bonds, and asset-backed securities.

By finding and exploiting bond mispricings in high grade credit markets, Coolabah provides investors with additional value by generating capital gains in addition to the yield on those securities.

The Fund aims to deliver superior risk-adjusted returns after management costs over its benchmark, the Bloomberg AusBond Composite 0+Yr Index.

Coolabah Capital Investments' Portfolio Management Director & Market Technicals Analyst, Ying Yi Ann Cheng said: "We are pleased to be able to grow our relationship with Chi-X by partnering to bring FIXD to market. This was previously an institutional strategy for super funds that was not available to the public."

"Since the Coolabah Active Composite Bond Fund's (Hedge Fund) inception in March 2017, it has returned 5.35% per annum after retail fees. That's 1.37% above the Composite Bond Index's 3.98% per annum return. It ranks in the top 2 strategies in Mercer's Australian fixed-income (active) universe over the last 3 years to 30 April 2021."*

"Clients are seeking the downside protection that fixed income offers in this time of market volatility, without needing to sacrifice consistent quarterly income or capital gains."

"Our global team of more than 26 analysts, portfolio managers and executives typically trade around \$150 million a day to exploit bond mispricings we discover with our proprietary quantitative models, allowing us to deliver positive outcomes for investors."

Chief Executive Officer of Chi-X Australia, Vic Jokovic, said the fund was the latest in a suite of premium investment options to be made available on Chi-X.

"We are pleased to partner with Coolabah Capital Investments to bring their first fund on Chi-X to market," he said.

"FIXD will help to broaden the range of options for investors seeking a more defensive allocation for their portfolio, which is critically important as global markets continue to prove volatile."

Equity Trustees Executive General Manager, Corporate Trustee Services, Russell Beasley, said: "We are delighted to be working with Coolabah Capital Investments, which has been our client since 2018, on its latest quoted fund launch in the Australian market."

“Quoted funds are great way for fund managers to tap into the booming retail investor market and for investors to access investment opportunities through their preferred platform, without all the cumbersome paperwork that is usually required.”

*Past performance is not necessarily indicative of future outcomes.

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About Chi-X® Australia

Chi-X Australia (CXA) is a regulated stock exchange committed to transforming, improving and growing Australia’s securities and derivatives markets. Chi-X has experienced strong and sustained growth and has achieved significant milestones including gaining over 20% market share, \$3.8 billion traded in value in equity trading and up to 50% of the Australian ETF market (trading and reporting). The Chi-X investment products platform offers a range of unique products exclusively traded on Chi-X, including Funds (ETFs & Quoted Managed Funds), Transferable Custody Receipts (TraCRs) and Chi-X Warrants. For more information visit: www.chi-x.com.au.

About Coolabah Capital Investments

Coolabah Capital Investments (CCI) is a leading long-only and long-short active credit manager that is responsible for managing numerous institutional mandates, the Smarter Money Investments’ product suite, and the BetaShares Active Australian Hybrid ETF (ASX: HBRD). As at May 2021, CCI managed \$6.5 billion in FUM with 27 execs, including 14 analysts, 5 portfolio managers and 4 PhDs.

CCI’s edge is in alpha generation in liquid, high-grade credit in contrast to traditional fixed-income strategies that drive returns through adding more interest rate duration, credit default, and/or illiquidity risk (beta). This alpha is a function of the world-class analytical insights rendered by CCI’s human capital, which includes 27 executives with a long-term track-record of delivering prescient insights. In 2019, CCI’s portfolio managers were selected as one of FE fund info’s Top 11 “Alpha Managers” based on their risk-adjusted performance across all asset-classes.

About Equity Trustees

Equity Trustees is the brand name of EQT Holdings Limited (ABN 22 607 797 615) and its subsidiary companies, publicly listed company on the Australian Securities Exchange (ASX: EQT) with offices in Melbourne, Bendigo, Sydney, Brisbane, Perth, London and Dublin. Equity Trustees (UK & Europe) Ltd (Company number 10145592) is a subsidiary of EQT Holdings Limited.

Equity Trustees was established in 1888 for the purpose of providing independent and impartial Trustee and Executor services to help families throughout Australia protect their wealth. As Australia’s leading specialist trustee company, we offer a diverse range of services to individuals, families and corporate clients including asset management, estate planning, philanthropic services and Responsible Entity (RE) services for external Fund Managers.

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