



Investment Objective

Gryphon Capital Income Trust (GCI) set itself 3 strategic objectives at IPO:

1. Sustainable monthly cash income



2. Highest risk adjusted return

3. Capital Preservation

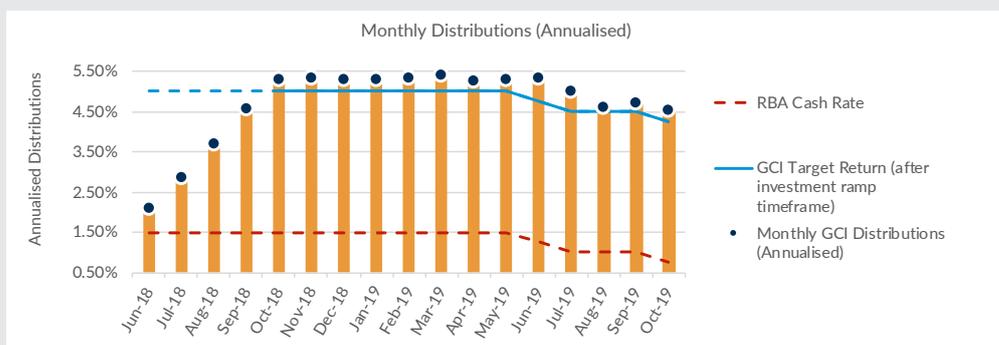
GCI continues to generate attractive and sustainable monthly income with highest risk adjusted returns through investments in a defensive asset class with a track record of low capital price volatility ensuring Capital Preservation.

GCI Investment Highlights

Income¹	Sustainable monthly cash income. Current 12-month distribution yield at 5.12% (net).
Large, institutional fixed income market	Australian ABS market > A\$110 billion is double the size of the corporate bond market
Security, capital preservation	Defensive asset class with a track record of low capital price volatility No investor has ever lost a \$ of principal investing in Australian RMBS
Portfolio diversification	Allows retail and SMSF investors to access a fixed income asset class that generally has only been available to institutional investors
Investment Manager	Exposure to a specialist investment manager with a proven track record of investment outperformance

GCI Distribution

GCI announced a 0.76 cents per unit distribution for October, bringing the distribution rate for the 12-months to October to 5.12% (net)¹.



Fund Performance as at 31 October 2019

	1 Mth	3 Mth	6 Mth	1 Yr	Incep (Ann) ²
Net Return (%)	0.41%	1.20%	2.83%	5.68%	5.09%
RBA Cash Rate (%)	0.06%	0.23%	0.55%	1.30%	1.37%
Net Excess Return (%)	0.35%	0.96%	2.27%	4.32%	3.67%
Distribution ¹ (%)	0.38%	1.15%	2.45%	5.12%	4.66%
Distribution (¢/unit)	0.76	2.29	4.87	10.04	9.15

¹ Actual distribution as % of NTA, assuming distribution reinvestment.

² Inception date – 21 May 2018

Note: Past performance is not a reliable indicator of future performance.

continued overleaf...

ABOUT THE MANAGER

Gryphon Capital Investments Pty Ltd (“Gryphon”) is a specialist fixed income manager with significant experience in the Australian and International fixed income markets. Gryphon manages individual segregated accounts on behalf of institutional investors and GCI on behalf of wholesale and retail investors seeking opportunities in fixed income credit markets including RMBS and ABS. Gryphon currently manages funds in excess of \$2.0 billion.

GCI SNAPSHOT

ASX Code	GCI
IPO Date	25 May 2018
Asset	Fixed Income, floating rate
ASX Price	\$2.04
NAV (Unit)	\$2.01
Market Cap	\$315.4m
Investment Management Fee³	0.72%
Performance Fee	None
Distributions	Monthly
Unit Pricing	Daily

³ Includes GST, net of reduced input tax credits

GCI CHARACTERISTICS

Distributions (12m)⁴	5.12%
RBA Cash Rate	0.75% pa.
Interest Rate Duration	0.05 years
Credit Spread Duration	2.2 years
Number of Bond Holdings	73
Number of Underlying Mortgage Loans	100,308

⁴ Actual distribution for the 12 months to 31 October, as a % of NTA, assuming distribution reinvestment.

RESEARCH

BondAdviser

INDEPENDENT INVESTMENT RESEARCH



Lonsec

WEBSITE

www.gcapinvest.com/gcit/overview



Market and GCI Investment Activity

The Australian credit markets, including the securitised markets, continue to be well supported by both domestic and international fixed income investors. During October, there were five new RMBS issues, all from non-bank issuers totalling \$4 billion, as well as four new ABS issues totalling circa \$2.4 billion. The ABS issuers included transactions from Volkswagen and an inaugural issue by Mercedes-Benz.

Gryphon Capital's Investment Committee elected to participate in two of the RMBS new issue transactions and one of the ABS transactions. Due to a combination of credit and GCI portfolio optimisation considerations, the Gryphon Investment Committee elected not to participate in three of the RMBS and three of the ABS transactions which were priced during the month.

Prospective New Offer of Units Update

Due to the very strong support shown by new and existing investors, on 14 November 2019, the Responsible Entity announced to ASX that it has decided to close the Shortfall Offer early. The Offer opened on 12 November 2019 but GCI has received applications for New Units under the Shortfall Offer already in excess of New Units available under the Offer. Allocations under the Shortfall Offer will not be determined until the Entitlement Offer has closed, and applicants will be notified by their broker of the outcome of their application.

Despite the overwhelming response to the Shortfall Offer, the Entitlement Offer will remain open until 5.00pm (AEDT) on Monday 25 November 2019. Eligible Unitholders wishing to participate in the Entitlement Offer are encouraged to lodge their application as soon as possible.

GCI PARTIES

Responsible Entity

One Managed Investment Funds Limited
ACN 117 400 987 AFSL 297042

Manager

Gryphon Capital Investments Pty Ltd
ACN 187 850 535 AFSL 454552

AVAILABLE PLATFORMS INCLUDE:

Asgard	BT Panorama
BT Super Wrap	BT Wrap
First Wrap	HUB24
Macquarie Wrap	Mason Stevens
MLC	Navigator
Netwealth	North

FURTHER INFORMATION AND ENQUIRIES

Gryphon Capital Income Trust
www.gcainvest.com/gcit/overview

General

Email info@gcainvest.com

Boardroom (Unit Registry)

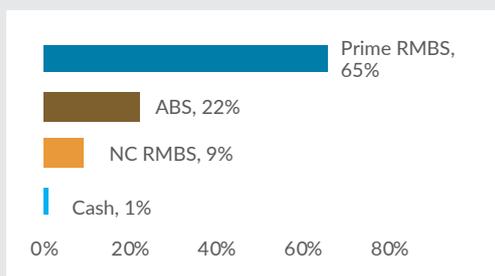
Phone 1300 737 760

Email enquiries@boardroomlimited.com.au

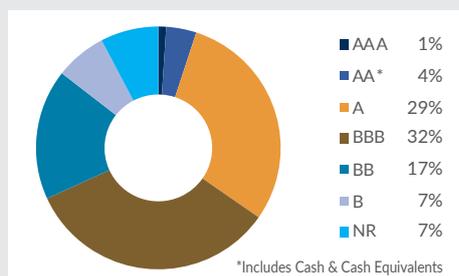
GCI Portfolio Construction¹

¹ As at 31 October 2019.

GCI Sector Allocations²



GCI Rating Breakdown²



² Excludes Manager Loan.

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GCI Portfolio Underlying Residential Mortgage Loan Statistics¹

	Total	Prime	Non-conforming ²
No. of Underlying Loans	100,308	94,105	6,203
Weighted Average Underlying Loan Balance	\$457,082	\$433,268	\$629,319
Weighted Average LVR	65%	64%	68%
Weighted Average Seasoning	31 months	32 months	26 months
Weighted Average Interest Rate	4.22%	4.04%	5.52%
Owner Occupied	66%	66%	69%
Interest Only	26%	26%	23%
90+ Days in Arrears as % of Loans	0.35%	0.23%	1.16%
% Loans > \$1.5m Balance	0.85%	0.49%	3.43%

¹ Please note that although the values in this Investment Report are accurate portfolio statistics, the return and performance of actual credit instruments invested in are assessed individually.

² Non-conforming loans are residential mortgage loans that would not typically qualify for a loan from a traditional prime lender and are generally not eligible to be covered by LMI. Borrowers may not qualify due to past credit events, non-standard income (self employed) or large loan size.



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