

**Annual General Meeting  
Ironbark Capital Limited  
31 October 2019**



**Doug Hew  
Investment Manager  
Kaplan Funds Management**



## Ironbark Capital Portfolio

### ➤ **Absolute Return Focus**

<u>Return FY19</u>		<u>Volatility FY19</u>
<b>14.8%</b>	<b>IBC portfolio (pre fees, including franking credits)</b>	<b>4.2%</b>
7.7%	Benchmark (1 year swap rate + 6% pa)	
13.1%	ASX 200 Accumulation Index (franking credit adjusted):	11.0%

### ➤ **16.5 year track record**

9.4% pa return (pre fees, including franking credits) since inception

### ➤ **High portfolio yield:**

Running yield of 6.6%\* (inclusive of franking credits)

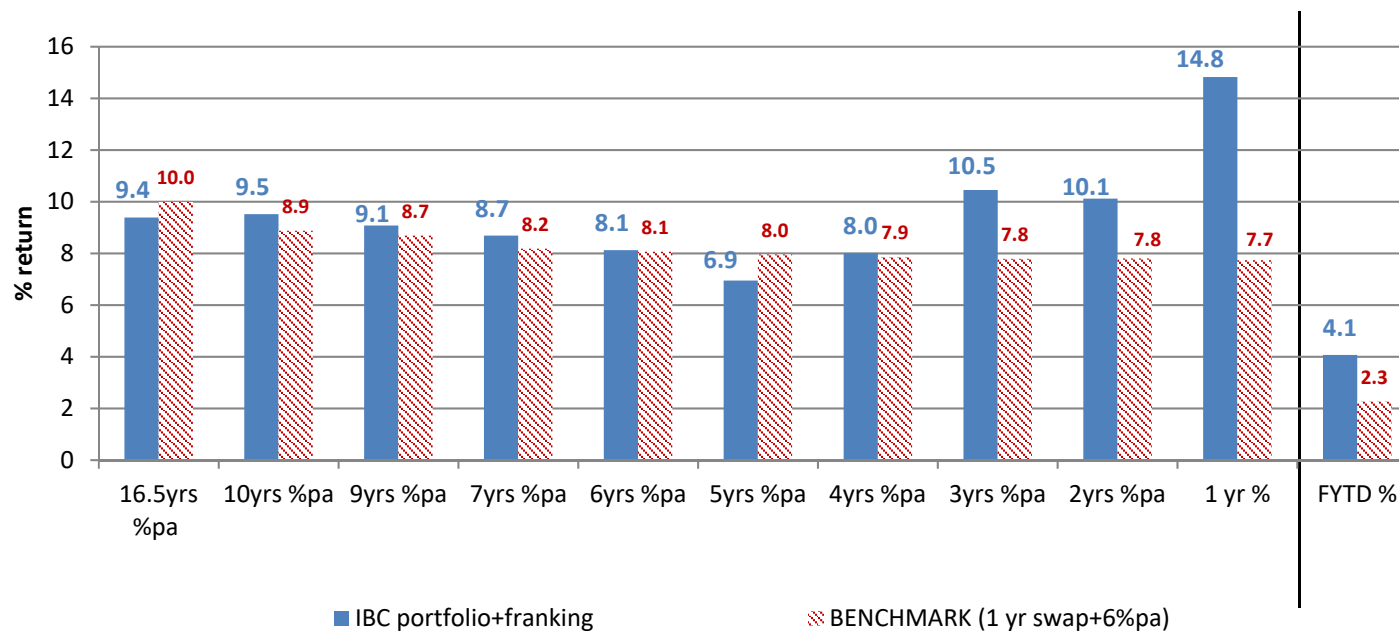
\*excludes option premium income (~\$395,000 FY19)

### ➤ **Consistent Returns:**

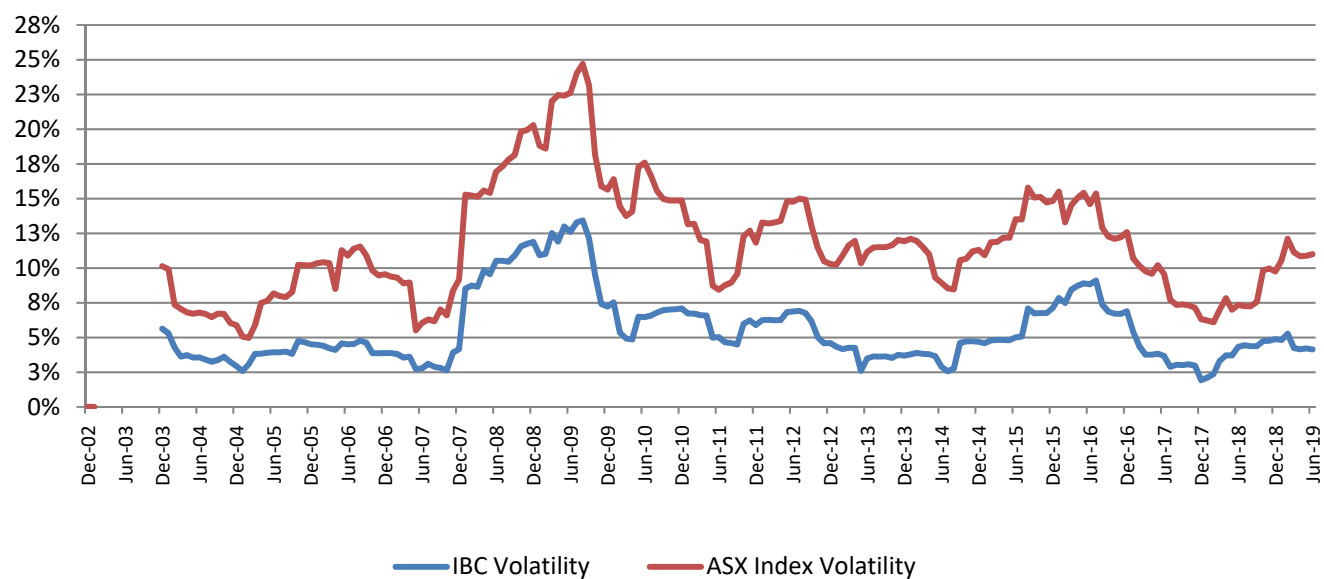
low volatility, approximately 60% less than ASX Index volatility FY19

### IBC Portfolio Performance

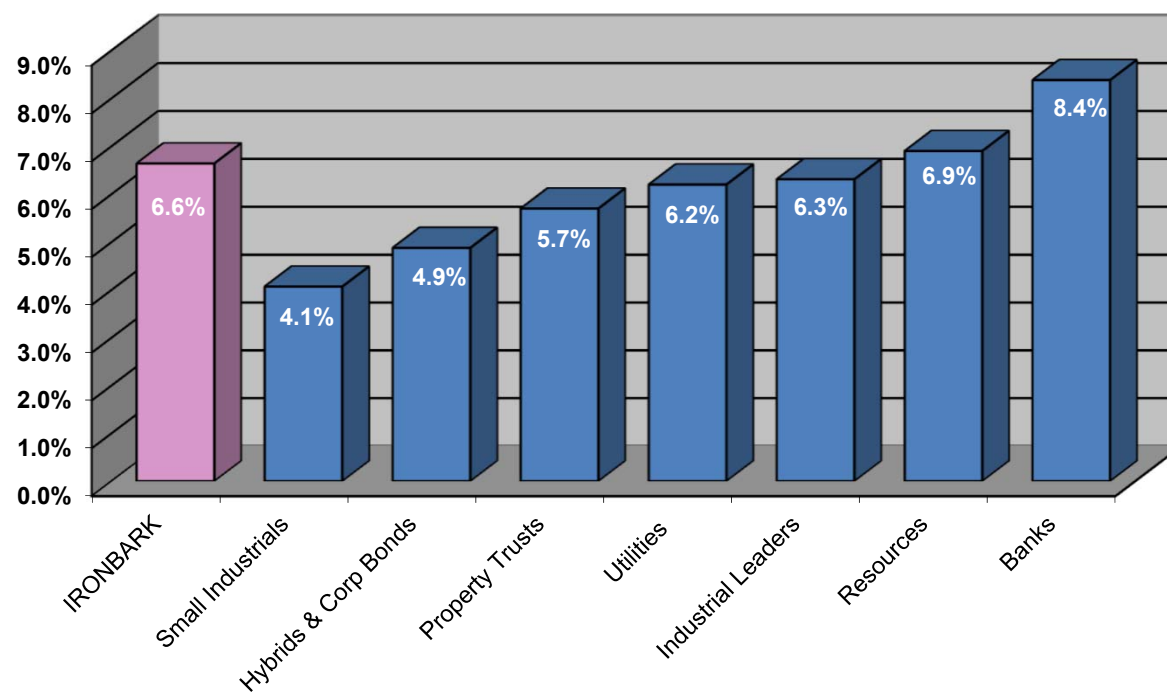
since inception to 30 June 2019



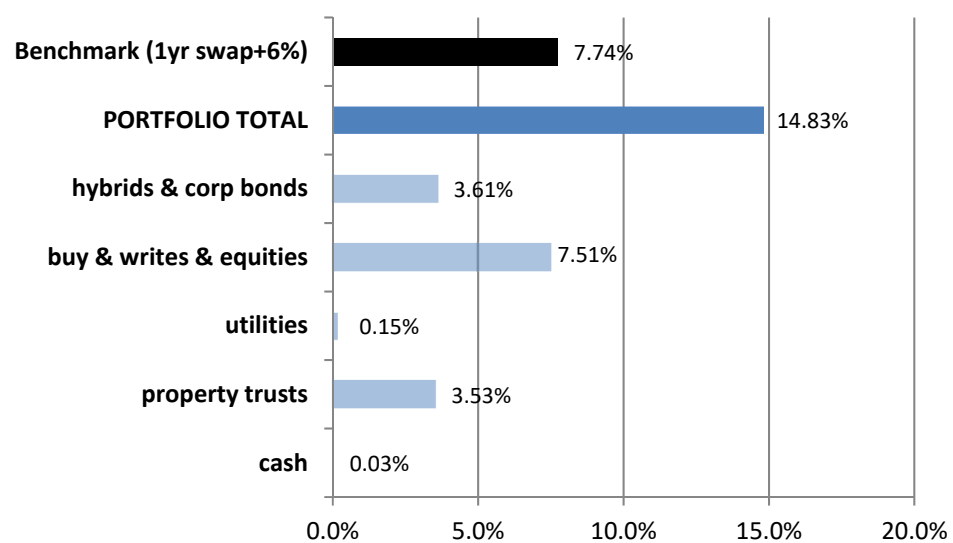
**IBC Portfolio Volatility vs ASX Index Volatility**  
(risk measurement – rolling 12 months)



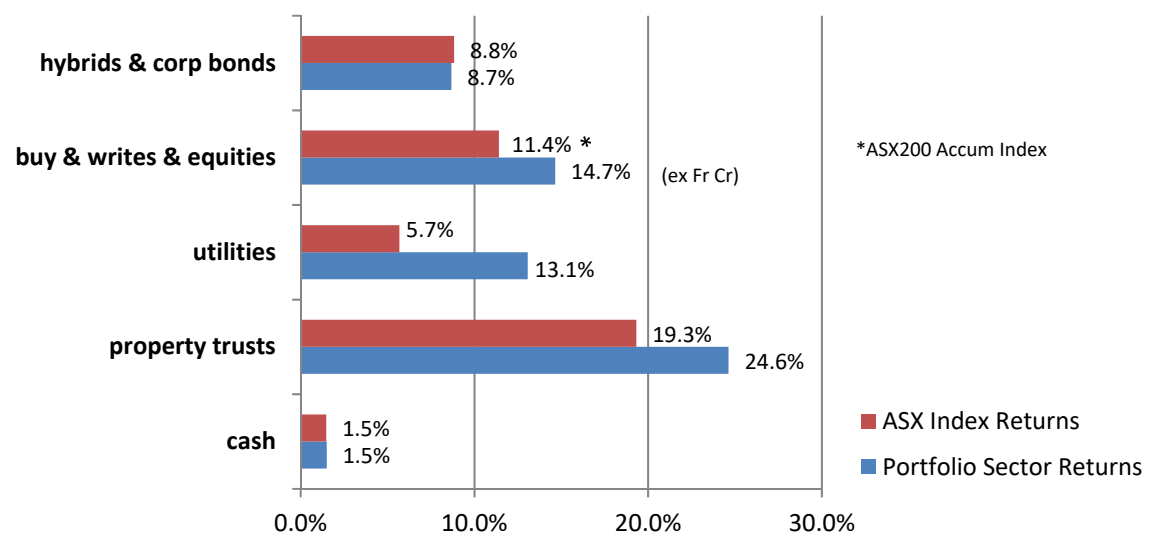
**Running Yield Composition of IRONBARK CAPITAL**  
(inclusive of franking credits)



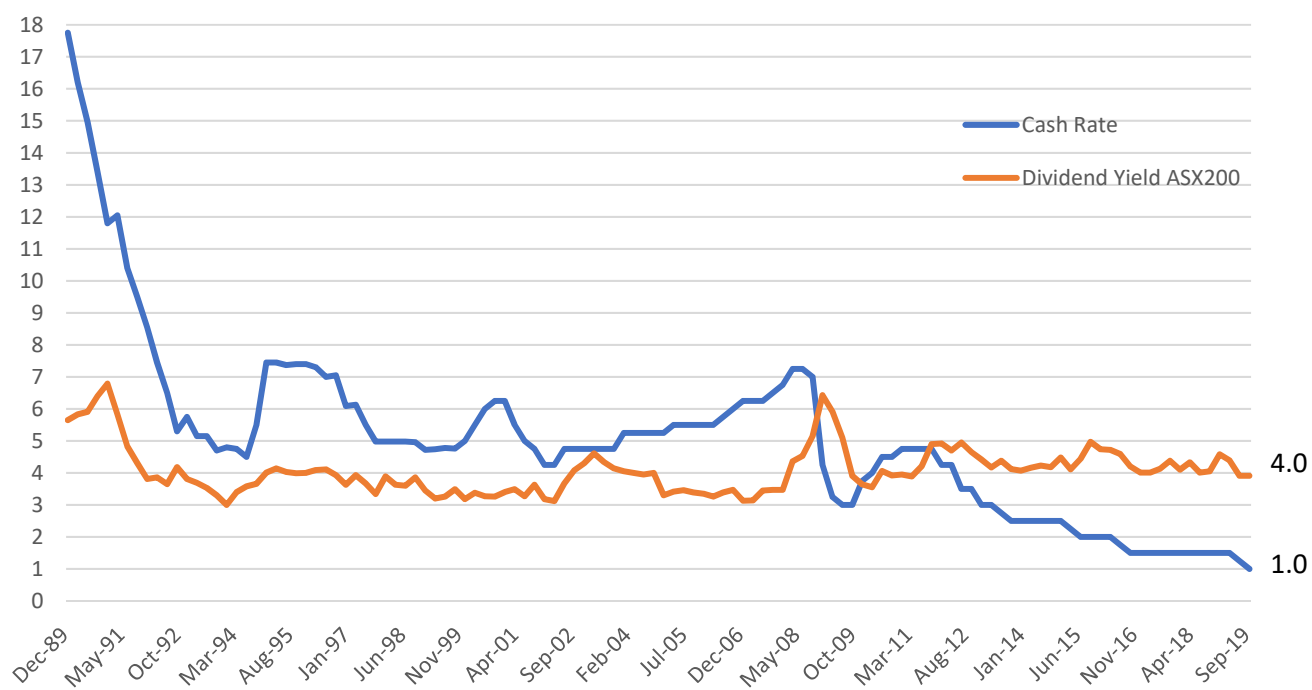
**IRONBARK CAPITAL Jun 2019**  
**12 months - performance & sector contribution**



**IRONBARK CAPITAL Jun 2019**  
**12 months- comparative sector returns**

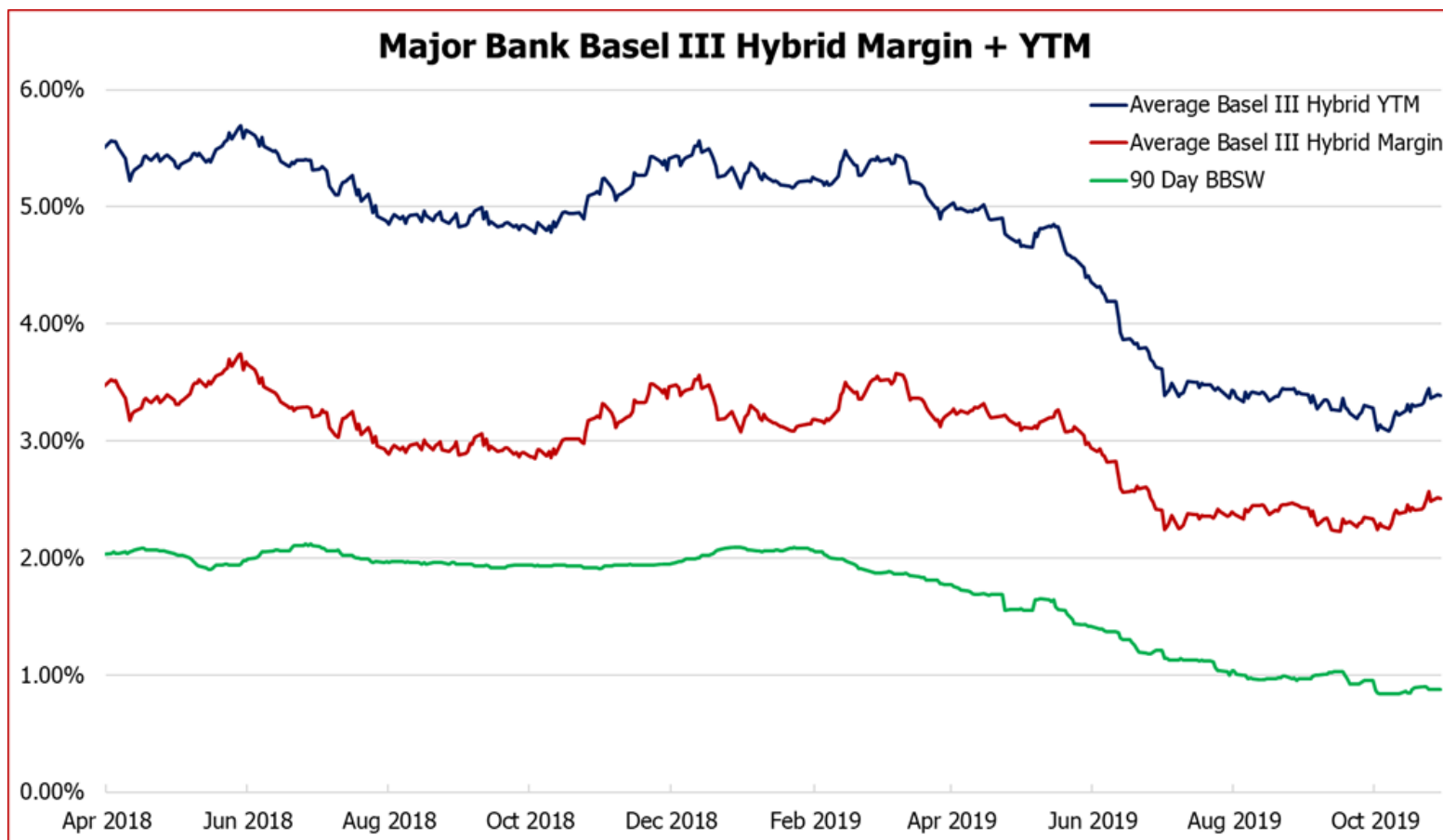


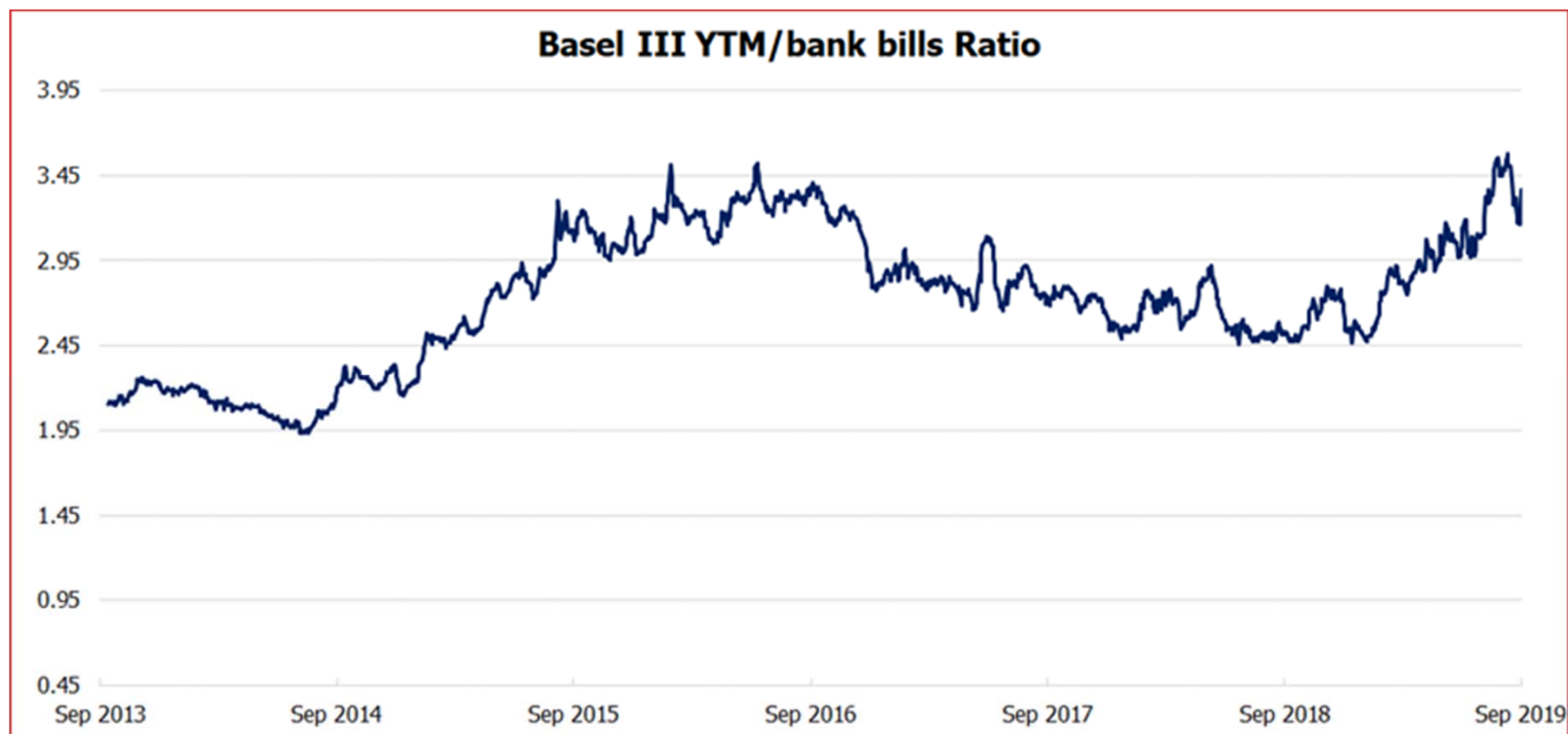
## Sharemarket Dividend Yield Gap



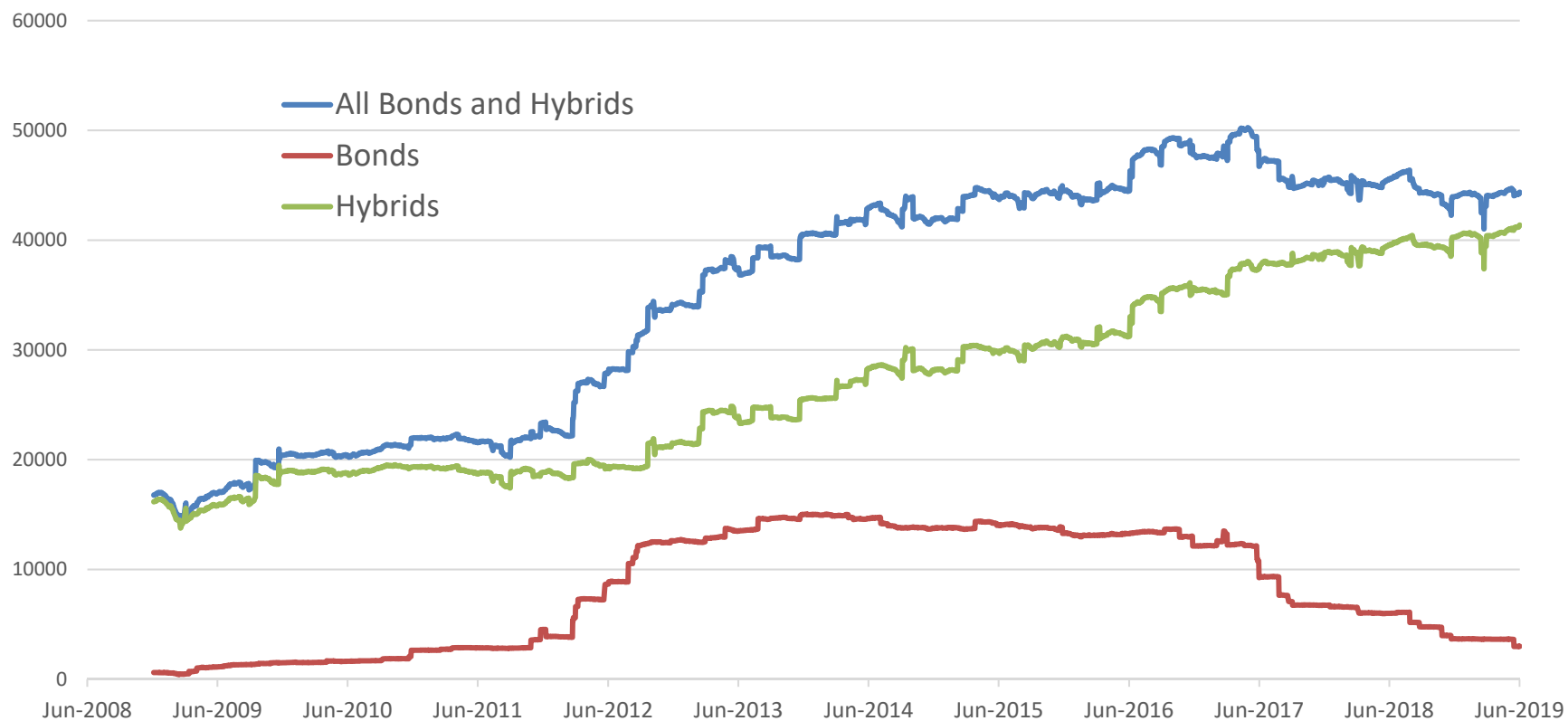
source: IRESS



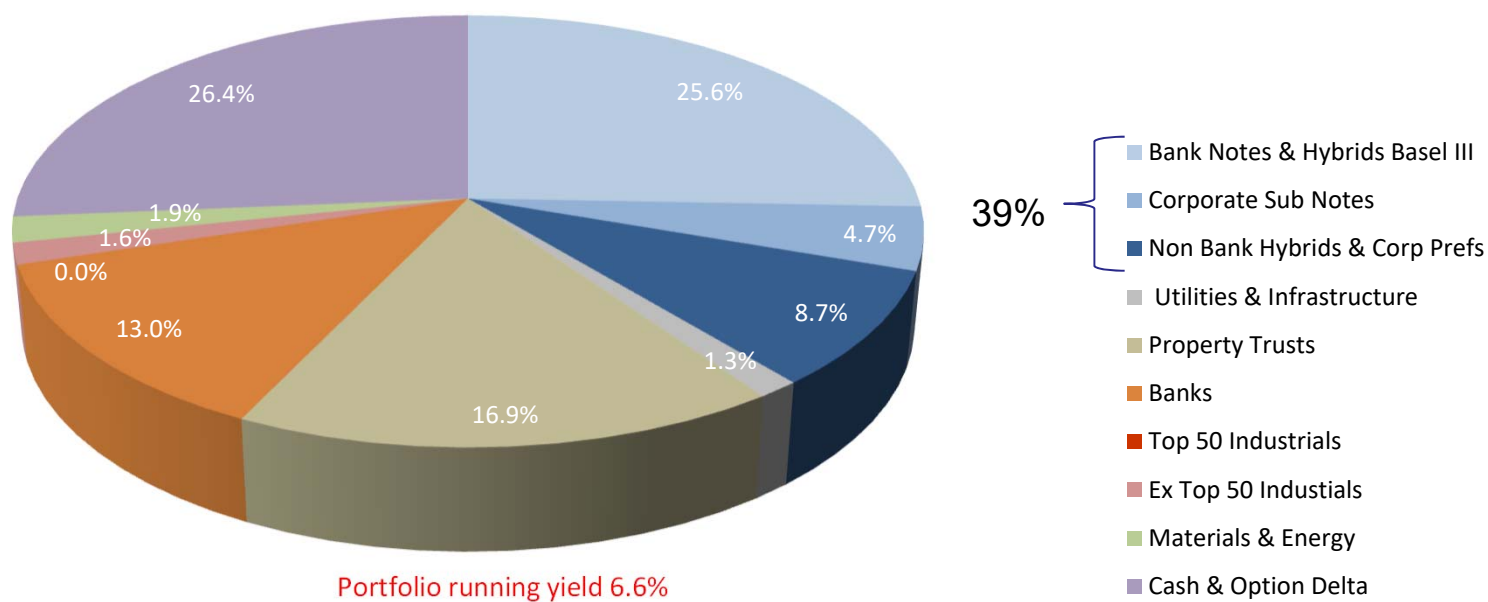




### ASX Bond and Hybrid sector size



**IRONBARK CAPITAL ASSET ALLOCATION - 30 June 2019**



## Outlook



- The global economy has entered a period of greater uncertainty.
- Global growth is risked to the downside, late cycle economic pressures are building, and accommodative monetary policy has become entrenched but less effective.
- Economic growth in Australia is expected to remain subdued supported by very low interest rates for some period of time.
- We expect investment conditions to remain favourable for Ironbark's style:-
  - To provide investors with an income generating portfolio that is diversified across investments in interest rate securities, property trusts, utilities and buy & writes in leading stocks.

## Questions