



Thinktank..

High Yield Trust

Monthly Performance Report

MARCH 2021

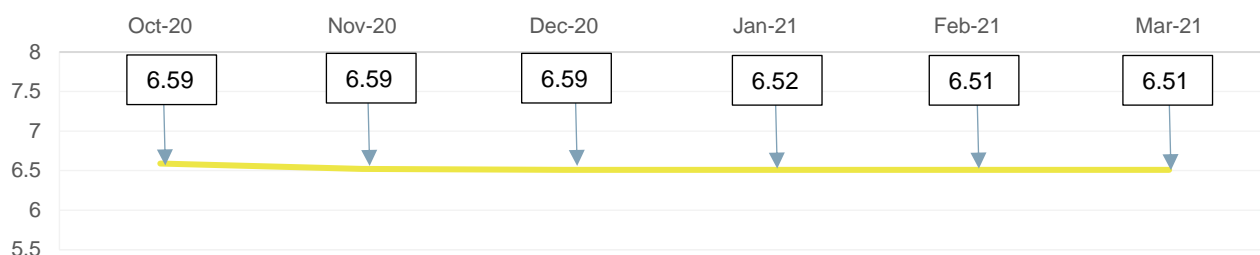


High Yield Trust Monthly Performance Report

RETURN AS AT MARCH 31, 2021

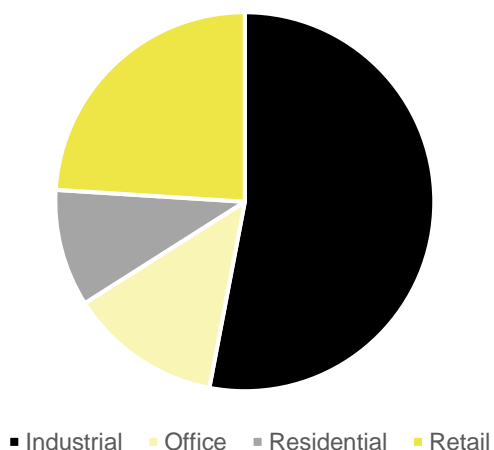
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Annualised Return %

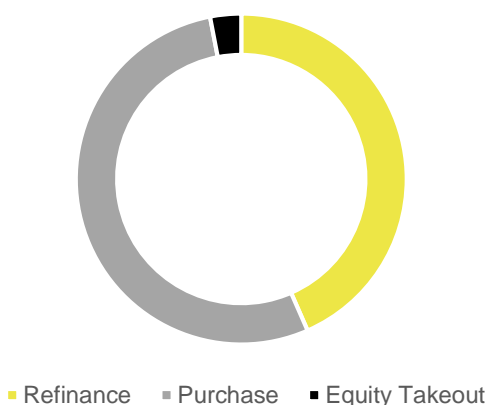


Thinktank Loan Book Metrics

Loan by Security Type*



Loan Purpose*



Investment Overview

Performance and Activity

In March the High Yield Trust has remained stable. Since inception in August 2017 the High Yield Trust has experienced zero losses and as at 31st March 2021 the High Yield Trust has three loans in arrears.

Investment strategy

Origination of loans secured by registered second mortgages (where Thinktank holds the first mortgage) held over Australian commercial & residential real estate to generate monthly income returns

Distributions

Paid on the 10th of each month (or following business day) in arrears.

Minimum investment

\$10,000

Minimum term

12 months

Average life of loan

18 months as at 31-Mar-2021

**Data as at 31st March 2021*

Disclaimer: This document is not intended to be read by anyone other than a Wholesale Client or Eligible Investor (as defined in Section 761G of the Corporations Act 2001) and should be read in conjunction with the Information Memorandum for Thinktank Group Pty Ltd dated 2nd May 2017. A copy of the Information Memorandum can be obtained by contacting Lauren Ryan on (02) 8669 5532 or at lryan@thinktank.net.au Thinktank Nominees Pty Ltd (AFSL No. 333 163).

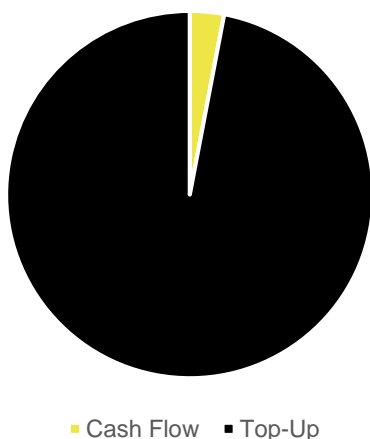
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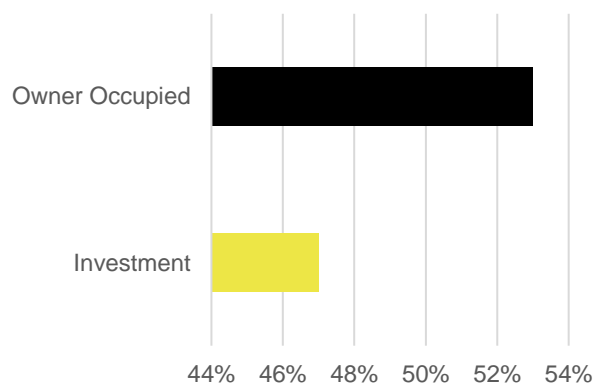
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Thinktank Loan Book Metrics

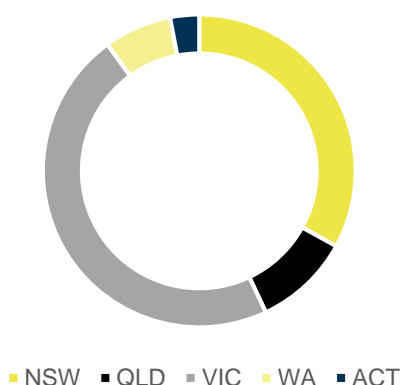
Loan by Verification Type*



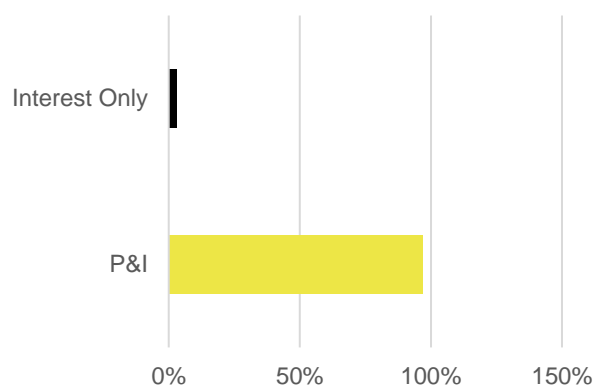
Loan by Occupancy*



Loans by State*



Repayment Type*



Market Ratings

	Sydney		Melbourne		Adelaide		Brisbane (SEQ)		Perth	
Resi-Houses	Strong	Improving	Good	Stable	Good	Stable	Good	Stable	Good	Stable
Resi-Units	Fair	Stable	Fair	Stable	Good	Stable	Good	Stable	Fair	Stable
Office	Good	Stable	Fair	Stable	Strong	Stable	Fair	Stable	Fair	Stable
Retail	Weak	Deteriorating	Weak	Deteriorating	Fair	Deteriorating	Weak	Deteriorating	Weak	Deteriorating
Industrial	Strong	Improving	Good	Improving	Strong	Stable	Fair	Stable	Weak	Stable

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MARKET COMMENTARY

by Per Amundsen, Head of Research

At its April meeting the RBA Board left the Cash Rate at the record low of 0.10% but as usual the key was the post meeting press release again reaffirming that rates will stay low for years to come despite the sharp increases in 10 year bond rates both here and in the United States. Fourth quarter GDP came in at a better than expected +3.1% and is forecast to stay at 3.5% for the next couple of years but with unemployment now down to 5.8% this is a positive. Inflation, currently at 0.9% is stuck at under 2% out until June '23 according to the RBA who added "The Board will not increase the Cash Rate until it is sustainably within the 2 to 3% target range." Retail Sales came in down 0.8% for February but still up a reasonable 9.1% for the year. CoreLogic housing prices for March continued the exceptionally strong run of the past few months confirming the positive view of many with their recovery. National Housing values were up by 2.8% building on six months of consistent rises. In Sydney House prices were up 4.3% and 2.6% in Melbourne, enough for us to re-rate Sydney Houses as Strong. The rest of the capital cities were all up for the month and for the quarter. There remains a difference between Houses and Units with Houses on a national basis up 3.0% while Units were also up but by slightly less at 1.9%. We are encouraged by these results despite our concern for Units in Sydney and Melbourne which we continue to rate as Fair. Last month on the basis of CoreLogic's report that rentals for Units in Melbourne and Sydney are no longer falling we have changed our Trends to Stable.

MARKET COMMENTARY

by Lauren Ryan, Investor Relations



Once again in March we weren't short of talking points. Jobkeeper ended and the discussion around how this will impact unemployment and small business, rising house prices and first-home buyers struggling to get their foot in the door and for the fourth time the Trans-Tasman travel bubble opened again just in time for snow season for all you snow bunnies. During March I was lucky enough to take some annual leave holidaying with my family first spending 10 days in Byron Bay, thankfully we left before the Covid affected Brisbane hens party arrived, followed by a food and wine festival in Mudgee and finally a Goulburn camping trip over Easter. If any of you went away over Easter I am sure you got stuck in the traffic there and back, I know we did. Whilst annoying, all the signs point to consumers spending in regional areas and in towns that rely on tourism which is instrumental in our ongoing economic recovery. Qantas and Jetstar held their half-price ticket sale and I am looking forward to getting to Adelaide, Brisbane and the Gold Coast in coming months. Face-to-face events are coming back and the winter sport season is getting underway. Dine and Discover vouchers are available and while there are still risks and we have by no means beaten the virus, the "Covid normal" way of living looks very different 12 months on. In March Thinktank originated \$75 million in new loans and the High Yield Trust returned 6.51%

A downloadable copy of Thinktank's April Monthly Market Focus can be found at:
<https://www.thinktank.net.au/news/>

For more information about Thinktank's Investment Trusts, please contact Lauren Ryan on lryan@thinktank.net.au or +61 401 974 839

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